

THE SEAVER-TOWNSEND URBAN RENEWAL AREA
ECONOMIC, FINANCIAL, AND SOCIAL CONSIDERATIONS

CHESTER RAPKIN

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THE SEAVIER - TOWNSEND URBAN RENEWAL AREA

A Section of the

Roxbury-North Dorchester General Neighborhood Renewal Plan Area

An Analysis of the Economic, Financial, and Community Factors

That Will Influence the Feasibility of Residential Renewal

Chester Rapkin

Prepared for the

BOSTON REDEVELOPMENT AUTHORITY
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ROXBURY-NO. 1 DORCHESTER GNRP AREA

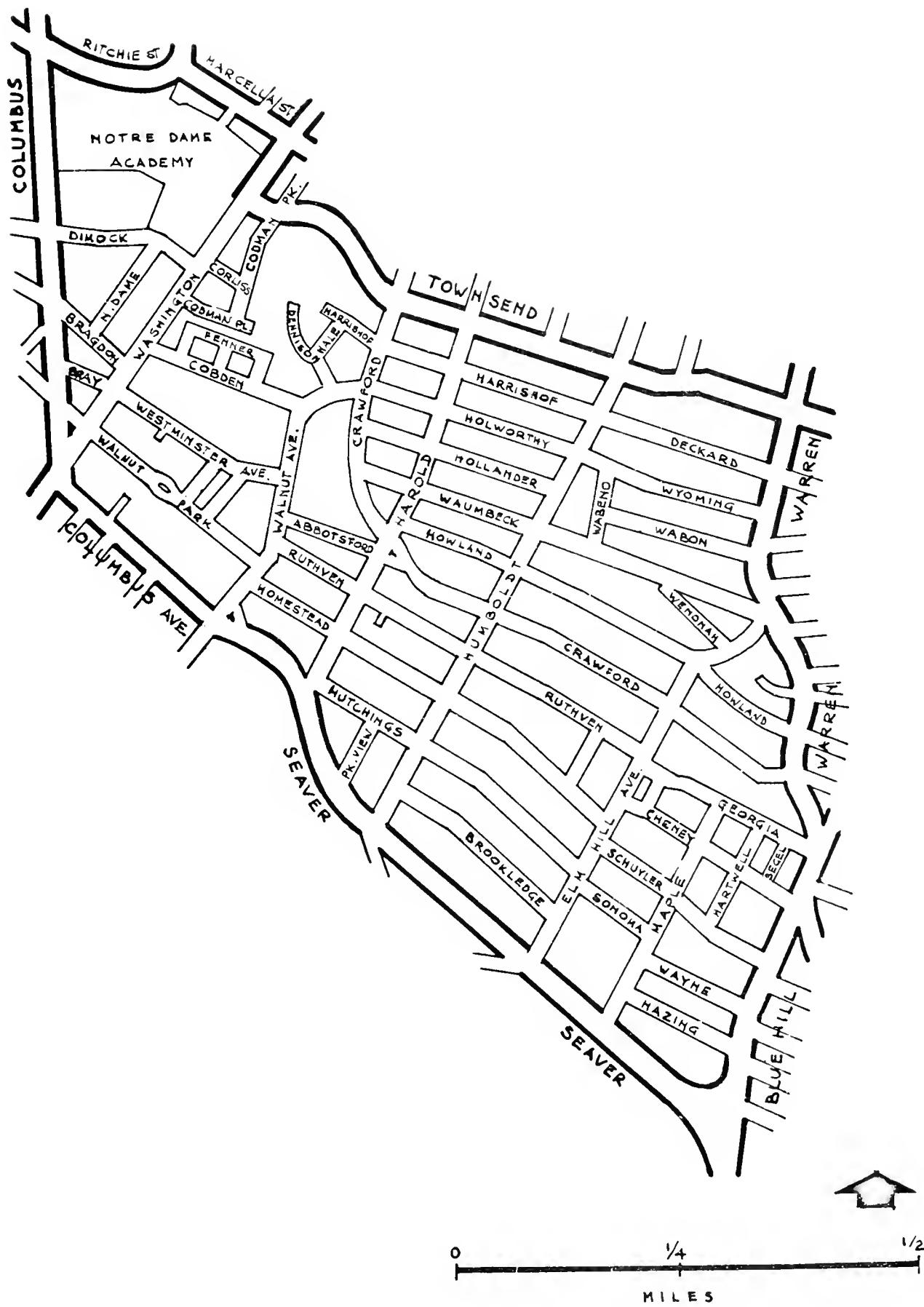


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SEAVER - TOWNSEND URBAN RENEWAL AREA



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SUMMARY OF FINDINGS: Seaver-Townsend Urban Renewal Area

NOTE: This is a summary of the report on "The Seaver-Townsend Urban Renewal Area: An Analysis of the Economic, Financial, and Community Factors that Will Influence the Feasibility of Residential Renewal."

The principal findings presented here are stripped of the detail and qualifications with which they are surrounded in the chapters in which they appear.

This study is concerned with the feasibility of undertaking the residential renewal of the Seaver-Townsend area, a section of the Roxbury-North Dorchester General Neighborhood Renewal Plan area (GNRP), which lies directly to the south of the Washington Park renewal area. The superior quality of the residential structures and the existing leadership and community organizations in the Seaver-Townsend area contribute material economic and social resources to the effectuation of the total program. This has led the Boston Redevelopment Authority to treat these two areas simultaneously in order to be able to execute the renewal program more successfully than if each had been considered individually.

The Seaver-Townsend project is part of a large-scale development program put forth by Mayor John F. Collins in September 1960. It is located in the southern section of the GNRP area, which is bounded roughly by Columbus Avenue and the New York, New Haven and Hartford

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Railroad tracks on the west; by Windsor Street and Massachusetts Avenue on the north; by Columbia Road on the east; and by Seaver Street and Franklin Park on the south.

The Seaver-Townsend urban renewal area is bounded by Ritchie, Marcella, and Townsend Streets on the north, by Warren Street and Blue Hill Avenue on the east, by Seaver Street on the south, and by Columbus Avenue on the west.

In accordance with the over-all emphasis, the staff of the Boston Redevelopment Authority has proposed that efforts within the Seaver-Townsend urban renewal area should be directed primarily at structural rehabilitation and neighborhood conservation. The quality of housing in the area is quite good. According to a field inspection conducted by the staff of the Boston Redevelopment Authority, less than ten percent of the units are in a condition to warrant clearance. In addition, nearly 70 percent are substandard to an extent which requires a systematic program involving measures short of clearance to remove existing defects. Visually, most of the Seaver-Townsend area conveys a pleasant and orderly impression. The streets are tree-lined, the lawns well kept, and the external appearance of the structures indicates that many of the buildings have had a reasonable maintenance program. As a consequence, demolitions will be few because buildings will be cleared only in the event that they are totally beyond repair or to provide sites for required community services and facilities.

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Population and Social Composition

During the past decade, the Seaver-Townsend renewal area has undergone rapid transition in the racial characteristics of the population. From about three-quarters white and one-quarter Negro in 1950, the area has become more than three-quarters Negro today. Transition has also been accompanied by a substantial net loss in population, amounting to about one-sixth of the 1950 total, bringing the 1960 population to 15,400.

Roxbury South, Upper Roxbury, or The Hill, are some of the names used by residents to refer to the general vicinity of the Seaver-Townsend area. For some years it has been a prestige area for long-established Negroes, and is one of the chief places of their residence within the entire metropolitan area. It has also attracted Negro residents from other sections of Boston, some of whom were born in the South and migrated to Boston some time in the past. Nevertheless, despite the heavy predominance of Negroes and the rapidity of change, Seaver-Townsend retains today a surprisingly wide variety of white ethnic groups.

The Seaver-Townsend area contains a substantial middle-class population interested in preserving the physical and social values of the area. Among this group there is considerable community cohesiveness, a good deal of concerned leadership, and a number of useful neighborhood associations. The lower-income and the more elderly groups are less able and less likely to participate actively in the program. Although communication between upper- and lower-status groups is limited, it is better than average for an urban community. The existing neighborhood institutions provide a meeting ground for the local population and channels

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through which community interest and activity for neighborhood improvement have been organized and directed. Foremost among these are the St. Mark's Congregational Church and Social Center, the Charles Street African Methodist-Episcopal Church, and Freedom House, which not only plays a role in increasing the associations between Roxbury and other parts of Boston, but has also made considerable contributions to the rehabilitation program by organizing a substantial number of block associations in the area. In general, the prospects for community participation in the urban renewal program in the Seaver-Townsend area are very good. There is a concerted interest in maintaining community standards mobilized by local leadership operating through neighborhood organizations interested in advancing the urban renewal program.

Financial Feasibility of Rehabilitation

Interest within the community in a program of rehabilitation has meaning only if owners can obtain financing of the needed repairs and if the resultant debt service will not impose too heavy a burden upon them nor force a rise in rents beyond the rent-paying ability of tenants. The best terms upon which such financing can be obtained are those applicable to mortgages insured by the FHA under Section 220 of the Housing Act. Under its provisions, FHA will insure loans of amounts covering the cost of repairs and the refinancing of any existing mortgage debt within a maximum which varies according to the value of the property and whether or not it is owner-occupied. At the time of this study, the interest rate for such loans was set at 5 1/4 percent plus a mortgage insurance premium of one-half percent of the outstanding balance.

SUMMARY OF FINDINGS: Seaver-Townsend Urban Renewal Area

The Seaver-Townsend renewal area contains 1,324 structures consolidated into 1,234 real estate parcels. Over two-thirds of the parcels contain buildings of frame construction. Over a third contain three-family dwellings, a tenth contain single-family homes, and the remainder, about a quarter each, are divided among two-family structures and those containing four or more units.

The Redevelopment Authority has examined these structures and classified them in six groups according to the degree of repair needed to bring them into conformity with the Boston housing codes, ranging from group 1, in such poor physical condition as to suggest clearance, through group 6, not in need of any repair at all. Groups 2 through 5 contained those structures whose conditions ranged from needing major structural repairs down to those needing only minor repairs. Since this study is concerned with the financial feasibility of rehabilitation, it will consider only the 85 percent of parcels whose structures were found to be in the four middle groups. We will not consider the 99 parcels in group 1, whose clearance is likely, nor the 81 in group 6 which need no repairs. Because there are only 12 parcels in group 4, for this analysis they have been included with those in group 3, in need of intermediate repairs.

The average estimated cost of rehabilitation to code standards of frame structures ranged from \$200 for single-family homes in need of minor repairs to \$4,145 for three-family structures needing major repairs. Costs for masonry buildings were for the most part somewhat lower, ranging from \$175 to \$2,925. Costs for structures containing

SUMMARY OF FINDINGS: Seaver-Townsend Urban Renewal Area

four or more dwelling units were estimated on the basis of the average per dwelling unit. These ranged from \$270 to \$2,000 for frame buildings, from \$250 to \$870 for those of masonry construction.

Given the cost of repairs, the economic feasibility of undertaking rehabilitation of any particular structure then depends upon three major considerations. First, the ratio which the new mortgage bears to the estimated value of the property after rehabilitation must be within the limit permitted by FHA regulations. Second, the amount of the debt service on the new mortgage must not be greater than an owner-occupant can carry, or than a landlord will be willing to absorb or can cover in rents which he can reasonably expect existing or prospective tenants to pay.

The third consideration relates to the availability of funds from reliable lending institutions for the financing of repairs. Even if the FHA is prepared to insure the mortgage, and there is an apparent ability by residents and landlords to carry the debt, lending institutions must be ready to advance funds for residential rehabilitation in the renewal area.

If it is assumed that the value of the property after rehabilitation will equal the present estimated value plus the cost of rehabilitation, between 2 and 48 properties, depending upon the extent of owner-occupancy, or a maximum of five percent of the total, would require a larger mortgage than that which FHA will insure. Over half contain three dwelling units, only one is a single-family unit. Insofar as some of these structures are owner-occupied, of course, fewer than 48 parcels would be

SUMMARY OF FINDINGS: Seaver-Townsend Urban Renewal Area

unable to finance the total cost of rehabilitation because of too high a mortgage-value ratio.

In considering the effects of an FHA Section 220 mortgage on monthly debt service, we must, of course, examine separately the 759 properties which are now mortgaged, whose owners currently must meet some charges for debt service, and the 295 which are not mortgaged and in which, consequently, no charge is now incurred for debt service.

If properties in the first group are rehabilitated with the aid of a new FHA Section 220 mortgage, the monthly debt service would be substantially reduced in 67 percent of the cases to under 80 percent of the current charges. Such a reduction, of course, would serve as an inducement to the owners to undertake the rehabilitation. For another 21 percent of the currently mortgaged properties, the costs would remain substantially the same. For the remaining 12 percent of the parcels, however, debt service would rise from only a slight increase in some cases to as much as triple the amount in others.

For those 295 parcels which are not now mortgaged, rehabilitation financed by an FHA Section 220 mortgage would result in an increase in housing costs because of the introduction of debt service. In most cases, however, this increase is small. For 65 percent of the unmortgaged parcels, the increase per dwelling unit would be under \$4.00 per month, or less than a dollar a week. For an additional 28 percent, it would be only slightly over a dollar a week. Since the housing costs of these properties do not now include a charge for

SUMMARY OF FINDINGS: Seaver-Townsend Urban Renewal Area

debt service, they are probably among the lowest in the area. We can assume, then, that charges of up to \$10 per month per dwelling unit could be absorbed by the landlords, present tenants, or home owners of these structures. For only five parcels, less than two percent of the total, would debt service per dwelling unit be over that amount.

If the mortgage-value ratio and increased debt service are considered simultaneously, in only nine to 13 percent of the 1,234 parcels, depending upon the extent of owner-occupancy, does the necessary loan exceed the amount which can be insured by FHA, or is there an increase in the debt service of currently mortgaged properties or a charge for debt service of \$10 or more per month per dwelling unit if the property is not now mortgaged. The effect of these parcels upon the prospects for renewal of the area depends upon the degree to which their owners, resident or nonresident, are able and willing to absorb the increased debt service or to finance the cost of rehabilitation without resort to mortgage debt. The debt service would increase primarily on properties in which it is now among the lowest, so that while percentage increases may be great, the absolute amount in most cases is small. For only three percent of the currently mortgaged properties would the increase be \$10 or more per month. Moreover, none of these parcels contain single-family houses, so that the average increase for each household would be even less. If an increase of up to \$5 per month, or approximately a dollar a week, could be absorbed by either the owner or tenant of each dwelling unit, only seven parcels could not be rehabilitated. All contain three dwelling units in need of major repairs.

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If they are absentee-owned, five of these would also require a larger loan than that permitted under FHA regulations on the mortgage-value ratio. Altogether, considering both mortgage-value ratios and the change in debt service of up to \$5 per month per dwelling unit for mortgaged parcels and up to \$10 per month per dwelling unit for those currently not mortgaged, rehabilitation would be feasible for all but 14 to 48 parcels, depending upon the degree of owner-occupancy. That is, rehabilitation under these conditions could be financed for all but 1 to 5 percent of the properties.

A word of caution must be given on the interpretation of these figures. Low housing costs are not necessarily reflected in low rents. Although an increase of up to \$5 per month per dwelling unit seems like a very small one, families with low incomes will find this a burden because they already devote a high proportion of that income to rent. For these, an increase of even a dollar a week could possibly be met only at the cost of a decrease in other essential expenditures. The degree to which owners would attempt to pass on the increased debt service in the form of higher rent, and the extent to which tenants would attempt to meet the higher rental through movement to other areas or through taking in lodgers, depends upon the particular market situation at the time. The Authority must seriously examine the possible effects in this area before adopting a program based upon the assumption that debt service could be increased to the extent suggested here without causing difficult problems of relocation or overcrowding.

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It was noted earlier that the monthly debt service would be reduced in two-thirds of the cases if the cost of rehabilitation and the outstanding residential debt were financed under FHA Section 220. Under these circumstances, some owners may wish to retain the debt service at the current levels, either by shortening the term of the refinanced mortgage, or by taking advantage of the fact that it will be possible to borrow additional sums for further rehabilitation and property improvement. The analysis revealed that owners of 180 properties could finance improvements amounting to as much as \$1,700 over and above those required to remove existing housing code violations; that another 144 properties could carry an additional \$2,550 to \$3,400; and in 327 cases, improvements costing over \$3,400 could be made. Thus, over half of the properties in the area could be raised above minimum conformity with code standards, and in one-quarter of the cases, it may be possible to borrow an additional amount substantial enough to enable the owner to make material improvements, including major structural alterations in his property, with no increase in the monthly debt service.

At the present time, established lending institutions hold a substantial proportion of the mortgages on properties in the renewal area. The number of acquisitions which have been financed through a mortgage, however, and the percentage of mortgages made by lending institutions has sharply decreased since 1959. The annual average number of property purchases, which reached a post-war high of 53 in the five-year period from 1955 to 1959, dropped to 27 per year in 1960 and the first quarter of 1961. This decline has been almost en-

SUMMARY OF FINDINGS: Seaver-Townsend Urban Renewal Area

tirely in the sale of multi-family units; the number of single-family units which changed hands has been quite small, falling to three in 1960 from the five per year transferred in the previous decade.

At the same time that the number of acquisitions decreased, the proportion financed by lending institutions dropped from 93 percent in 1950-54 to 88 percent in 1955-59 and 75 percent in 1960-61. Savings banks, cooperatives, and savings and loan associations together financed between 37 and 45 transactions a year between 1950 and 1960, but financed only 36 between January 1960 and April 1961, an annual rate of 27. During this period, there was some shift from government-insured to conventional mortgages. Approximately two-fifths of the mortgages placed between 1945 and 1959 were for an amount of 90 percent or more of consideration. In 1960-61, this dropped to 32 percent, while those between 67 and 89 percent of consideration increased from 46 to 57 percent.

If the renewal program is to obtain the full support that it requires from financial institutions in order to be successful, it is necessary that they be convinced that investment in the area is sound. The willingness of the government itself to invest in improved facilities, such as streets and lighting, and to provide additional amenities, such as schools, playgrounds, and parks, will constitute important evidence that the physical quality of the area will indeed be improved. Widespread availability of FHA 220 loans, in which the federal government insures the mortgagee against loss, will undoubtedly afford existing institutions a con-

SUMMARY OF FINDINGS: Seaver-Townsend Urban Renewal Area

siderable degree of reassurance. The ability of FNMA to make advance commitments to purchase mortgages may also serve to encourage such loans.

The principal type of mortgage lending institution in the Boston area has already indicated its willingness to participate actively in the urban renewal program. In the spring of 1961, the Boston savings banks announced that a \$20 million fund had been established to finance the rehabilitation and building loans, and that additional amounts if needed would be added to the total as the program progressed. Boston is one of the few areas in which this degree of interest has been demonstrated by the established home financing institutions. To the extent that this can be considered an index of the willingness of the banks to participate in the initial stages of the renewal effort, one of the great uncertainties that usually confronts this program in other cities has been removed.

Prospects for Rehabilitation

The Seaver-Townsend area is pre-eminently suited for an urban renewal effort whose emphasis is almost exclusively on rehabilitation. The majority of the residential structures are in good condition and, in fact, many require only modest investment to bring them into compliance with the existing codes. The value structure and the existing quality of the properties provide a sufficient base for financing the required improvements as well as refinancing the outstanding mortgage debt should this be necessary. In fact, under the available terms of FHA 220 loans, the bulk of the structures can be rehabilitated with little or no increase in debt service or in rent.

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This situation indicates that a higher level of improvement than mere observation of code standard could be achieved by property owners in this area. This is possible in view of the fact that the area has retained a substantial proportion of middle-income families and is endowed with locational advantages including an adjoining major park and easy access to centers of employment in downtown Boston and elsewhere. Attaining a higher standard, therefore, would do more than elevate the quality of the housing supply; it would constitute a significant means of preserving and extending social cohesiveness in the area.

Investments by local property owners and mortgage lenders will undoubtedly be forthcoming if there is a demonstration on the part of the municipality of the interest of the city in preserving this area. Material demonstrations through improved services would indeed hasten the effectuation of the renewal program by stimulating the voluntary participation of the interested parties. In view of the array of economic and financial resources available in this community, there is every reason to believe that a successful rehabilitation program can be accomplished in this area.

Chapter I

The Setting and the Scope of the Study

This study is concerned with the feasibility of undertaking the residential renewal of the Seaver-Townsend area, a section of the Roxbury-North Dorchester General Neighborhood Renewal Plan (GNRP) area, which lies directly to the south of the Washington Park renewal area. The superior quality of the residential structures and the existing leadership and community organizations in the Seaver-Townsend area contribute material economic and social resources to the effectuation of the total program. This has led the Boston Redevelopment Authority to treat these two areas simultaneously in order to be able to execute the renewal program more successfully than if each were to be considered individually.

The Seaver-Townsend project is part of a large-scale development program put forth by Mayor John F. Collins in September 1960. Ten renewal areas have been designated, of which seven are primarily residential in character. In these seven areas, residential renewal is concerned with neighborhood rehabilitation rather than clearance. The remaining three consist of subdivisions of the downtown area. In all, the program is designed to attack blight and slums in comprehensive fashion in central Boston.

Urban renewal is a local program conceived, planned, and executed by the community in which it takes place. The federal government provides financial and other types of assistance to the wide

variety of efforts made by localities to eliminate slums and blight, whether residential or nonresidential, and for the removal of factors that create these conditions. In the Housing Act of 1949, with significant amendments in 1954, 1959, and 1961, as well as through other legislation, Congress has made available a number of specific aids, including advances, loans, grants, technical assistance, and special mortgage insurance and other financing aids in urban renewal areas.

The three major elements of the urban renewal program include slum prevention through neighborhood conservation and housing code enforcement, the rehabilitation of structures in the neighborhoods, and the clearance and redevelopment of structures and areas that are beyond reclamation. Federal assistance is available to help the community carry out its plans when local resources alone are not adequate. The financing of an urban renewal project is a joint enterprise in which federal advances and loans and, ultimately, a federal capital grant are added in the ratio of two to one to local contributions, which may take the form of cash or non-cash grants in aid, such as donations of land, demolition and removal work, project improvements, certain expenditures by colleges, universities, and hospitals, or provision of public facilities.

The Renewal Area

The Seaver-Townsend urban renewal area is located approximately in the southwestern quadrant of the section covered by the Roxbury-North Dorchester General Neighborhood Renewal Plan. The larger area is bounded roughly by Columbus Avenue and the New York, New Haven and Hartford Railroad tracks on the west; on

the north, by Walpole, Windsor, Ball, Thorndike and Lenox Streets and Massachusetts Avenue; on the east, by Columbia Road and on the south, by Seaver Street and Franklin Park (see attached map). The Seaver-Townsend urban renewal area is bounded by Ritchie, Marcella and Townsend Streets on the north, by Warren Street and Blue Hill Avenue on the east, by Seaver Street on the south and by Columbus Avenue on the west. The Washington Park renewal area, which lies directly to the north of Seaver-Townsend, is bounded by Washington, Dudley, Warren, and Townsend Streets.

These areas exemplify two of the many types of planning in which a community may engage with federal assistance in preparation for urban renewal activities. The General Neighborhood Renewal Plan is undertaken when an area to be renewed is of such size that renewal activities may have to be spread over a period as long as a decade, and planning for the entire area is desirable in order to coordinate specific renewal projects. The Seaver-Townsend urban renewal area is the specific renewal project designated within the Roxbury-North Dorchester GNRP Area. Specific project plans are concerned with such matters as eligibility and feasibility, proposed sites for new land uses, preparation for relocation, land acquisition, rehabilitation, site clearance and improvement, land disposition, and other necessary operations. The expenses of such planning may be defrayed through federal planning advances that are repayable from funds that become available when the project is undertaken.

In accordance with the over-all emphasis, the Boston Redevelopment Authority has proposed that efforts within the Seaver-Townsend

urban renewal area should be directed virtually entirely at effecting the rehabilitation of existing structures. The quality of housing in the area is quite high. According to the 1960 Census, only seven percent of the units are substandard, and fully three-quarters are in sound condition. Visually, most of the Seaver-Townsend area conveys a pleasant and orderly impression. The streets are tree-lined, the lawns well kept, and the external appearance of the structures indicates that most of the buildings have had a reasonable maintenance program. Since buildings will be cleared only in the event that they are totally beyond repair or to provide sites for required community services and facilities, demolitions will be few.

Sources of Data

Data for this study have been obtained from a number of sources:

(1) Most of the demographic and housing data for the Seaver-Townsend renewal area were compiled from the preliminary releases of the U. S. Bureau of the Census. Valuable supplementary data were obtained from Professor Morton Rubin, Department of Sociology, Northeastern University. Professor Rubin had conducted an extensive field survey of several areas in Boston and very generously placed his files at the disposal of this study. Information was also received from the Boston Department of Public Welfare, United Community Service of Metropolitan Boston, and the Greater Boston Economic Study Committee.

(2) Data concerning the kind of construction and quality of the structures in the area were obtained from an APHA-type field survey conducted by the Boston Redevelopment Authority.

(3) Rehabilitation costs were estimated by members of the staff of the Boston Redevelopment Authority. Detailed cost estimates were prepared for a sample of structures in each category of size, quality, and type of construction.

(4) Financial data for each parcel of real estate were obtained from the Metropolitan Mortgage Bureau, a commercial property record service. The information included the date of the last bona fide transaction, the consideration paid, the amount and terms of all mortgages, and the assessed value of each parcel.

(5) Interviews were conducted with informed persons in public and private life who were specialists in housing, finance, group relations, and other subjects relevant to this study. These interviews produced a significant body of information which was of material aid in interpreting the statistical findings of this study.

The remaining chapters of this report present the evidence and conclusions regarding the feasibility of the renewal program in the Seaver-Townsend area. The report first examines the social climate of the area to indicate the degree of cooperation which can be expected from the residents for the program of rehabilitation and other aspects of renewal. It then considers the financial and physical characteristics of the structures to estimate the proportion whose rehabilitation is financially feasible. A concluding section presents a series of case studies of structures and their occupants which illustrate specific issues in urban renewal in Seaver-Townsend. Two technical appendixes deal with trends in residential real estate prices and with the ratios of market price to assessed values in the area.

Chapter II

The Demographic and Social Factors Influencing Urban Renewal

The characteristics of the population in a renewal area have a significant bearing on the feasibility of a rehabilitation program. This chapter is devoted to an analysis of the population in the Seaver-Townsend area and the changes that have taken place within the recent past.

According to estimates compiled from data of the U. S. Bureau of the Census, 15,400 persons resided in the area in 1960, a decline of approximately 17 percent from the 1950 population (Table I). The net loss of about 3,130 persons during that decade was the result of the out-movement of almost 9,070 whites at the same time that 5,940 non-whites moved in. Because of this migration pattern, the racial composition of the area altered rapidly during the decade. In 1950, 72 percent of the residents were white and 28 percent nonwhite; in 1960, the ratios were reversed.

Roxbury South, Upper Roxbury or The Hill, are some of the names used by residents to refer to the general vicinity of the Seaver-Townsend area. For some years it has been a prestige area for long-established Negroes, and is one of the chief places of their residence within the entire metropolitan area. It has also attracted Negro residents from other sections of Boston, some of whom were born in the South and migrated to Boston sometime in the past. A number of Negro families

Table 1

Population: Total, White, and Nonwhite
Seaver-Townsend Renewal Area and Boston, 1950 and 1960

	Seaver-Townsend		Boston	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
1960				
Total	15,392	100	697,197	100
White	4,348	28	628,704	90
Nonwhite	11,044	72	68,493	10
1950				
Total	18,526	100	801,444	100
White	13,418	72	758,700	95
Nonwhite	5,108	28	42,744	5
Change 1950-1960				
Total	- 3,134	- 17	- 104,247	- 13
White	- 9,070	- 68	- 129,996	- 17
Nonwhite	+ 5,936	+116	+ 25,749	+ 60

Source: U.S. Bureau of the Census, Seaver-Townsend data
compiled from Census Tract Statistics Advance Table PH-1,
1960 and U.S. Census of Housing: 1960, Vol. III, City
Blocks, Series HC(3), No. 180.

from the West Indies and a few persons native to Africa also live within the area. In addition, the present nonwhite population includes approximately fifty Chinese families.

Negroes reside throughout the project area, but are most heavily concentrated in a broad belt extending north and south through its center. The upper-income Negroes reside predominantly in the larger private homes toward the south. Seaver-Townsend contains several census tracts which contain the largest ratios of Negro population in the whole Roxbury-North Dorchester GNRP. Yet, there are a number of blocks remaining, chiefly apartment areas, where few if any Negroes are to be found.

For several generations Jews have constituted the largest proportion of the white population in the area. Today they comprise approximately 80 percent of the remaining white residents, living chiefly along Seaver Street and the streets immediately to the north, and in the area's southeast corner. In the latter section, Jewish families are estimated to make up about half of the total population. Individual Jewish households will still be found scattered throughout the project area, much more widely than is generally believed.¹

In the southwest corner of the area, a sizeable scattering of Greeks, Polish and Hungarians are found. This small section and the southeast corner contain the only census tracts where Negroes today do not constitute a clear majority of the population. There are also some

¹ Data compiled from the Boston police lists which contain the names and addresses of all persons over the age of 20 living in the precinct, with information on date of birth and current occupation.

persons of Irish descent in Seaver-Townsend, residing chiefly in the northern portion immediately adjacent to Washington Park, and a scattering of Italians. Over-all, despite the heavy predominance of Negroes and the rapidity of change, Seaver-Townsend retains today a surprisingly wide variety of white ethnic groups.

Age Composition of the Population

In aggregate, the Seaver-Townsend renewal area has a population pyramid that appears to be in balance. Thirty-two percent are youngsters under 18; 56 percent are in the productive years of 18 to 64; and 12 percent are elderly persons of 65 years or over (Table II). This distribution, however, cloaks two disparate groups: an aging white population, and a youthful Negro community. The white population is characterized by a small proportion of children (17 percent) and a high proportion of elderly persons (26 percent). Although whites make up only about one-fourth of the area's population, they comprise nearly two-thirds of all persons 65 years of age or older. The nonwhite population, on the other hand, contains a great many children (37 percent), but very few older persons (6 percent). Nearly 85 percent of all persons under 18 years of age are nonwhite.

Marital Status

A large proportion, nearly 63 percent, of all persons in Seaver-Townsend 14 years of age or over, regardless of sex or race, are estimated to be married (Table III). About 23 percent are single and have never been married. The remainder are either widowed (almost 11 percent) or divorced (4 percent).



Table II

Percentage Distribution of Population by Age and Sex:
Total, White, and Nonwhite

Seaver-Townsend Renewal Area, 1960

<u>Age</u>	<u>Total</u>			<u>White</u>			<u>Nonwhite</u>		
	<u>Total</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Male</u>	<u>Female</u>
Under 18	32	16	16	17	9	8	37	18	19
18 - 64	56	25	31	57	25	32	56	25	31
65 and over	12	5	7	26	12	14	7	3	4
Total	100	46	54	100	46	54	100	46	54

Source: U.S. Bureau of the Census, Seaver-Townsend data compiled from Census Tract Statistics Advance Table PH-1, 1960 and U.S. Census of Housing: 1960, Vol. III, City Blocks, Series HC(3), No. 180.



Table III

Percentage Distribution of Population 14 years Old and Over by Marital Status:
Total, White, and Nonwhite

Seaver-Townsend Renewal Area, 1960

Marital Status	Total			White			Nonwhite		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Single	23	11	12	23	12	11	23	11	12
Married (Spouse Present)	57	28	29	57	27	30	57	28	29
Married (Separated)	5	2	3	2	1	1	7	2	5
Widowed	11	3	8	15	4	11	8	2	6
Divorced	4	1	3	3	1	2	5	1	4
Total	100	45	55	100	45	55	100	44	56

Source: U.S. Bureau of the Census, Seaver-Townsend data compiled from Census Tract Statistics Advance Table FH-1, 1960 and U.S. Census of Housing: 1960, Vol. III, City Blocks, Series HC(3), No. 180.



There is a considerably greater number of women than men living in the renewal area. In ratio terms, the rate is 85 men per 100 women, which, in numerical terms, means that there are nearly 1,500 more females than males in the adult population. In large measure this disparity is reflected in the incidence of persons who are widowed, divorced, or married but separated from spouse. There are more than two and one half times as many women as men in these groups, approximately 1,900 as against only 700. Altogether, more than one woman out of every four in the area, regardless of race, has been married in the past but is now living without a husband.

Most of the white women who are not presently married are in the middle and upper age brackets, aging spinsters and widows for the most part. In fact, one white woman out of five is a widow. Although considerably less frequent, widowhood is also quite common among the Negro women in the renewal area; 11 percent are in this category. Another nine percent are married but separated, and six percent are divorced. The nonwhite women who are not presently married cover a much wider age range than the white women in this class, and many have children living with them.

Occupational Composition

Occupational data for the population of the Seaver-Townsend area are incomplete at best, pending availability of the 1960 Census tabulations. However, they do permit some general conclusions to be drawn with a fairly high degree of assurance.

For the Jewish population, who make up the bulk of the white population, police lists enable us to estimate that nearly one-fifth of

adult males are outside the labor force, consisting mainly of retired persons. The remainder are a group with considerable skills (Table IV). Well over a quarter are classified as managers, proprietors, officials, or professionals. About 30 percent more are in "white-collar" jobs, chiefly clerical and sales positions, 16 percent are skilled craftsmen or supervisors, about 19 percent are assembly-line and service workers and other semi-skilled machine operatives, and only about seven percent are unskilled workers. In all, about three-fourths of the male Jewish labor in the area consists of white-collar and skilled mechanical workers. Furthermore, comparison between the various age groups reveals only minor differences, although, as is generally true for the population as a whole, there is a tendency for younger workers to be in the less skilled and responsible positions.

For Negroes, the data are less adequate. The police lists indicate that there is a good representation of professionals and proprietors, and that there are a large number of skilled clerical, operative and construction workers with substantial and reasonably stable incomes. On the other hand, the Negro population also contains a rather large proportion of laborers and other unskilled workers. These persons, although quite widely dispersed throughout, are more often found in locations toward the northern extreme of the project area.

Characteristics of Households

There are now over 4,900 households in the Seaver-Townsend area which contain a total of approximately 15,000 persons (Table V). Almost all of the population resides in households rather than in group quarters, indicating the virtual absence of nonhousehold accommodations.

Table IV

Percentage Distribution of Occupations
of Employed Jewish Males
by Age Groups

Seaver-Townsend Renewal Area, 1961

<u>Occupation</u>	<u>Age of Worker</u>			
	<u>Total</u>	<u>20-39</u>	<u>40-59</u>	<u>60 & over</u>
Professionals and Proprietors	28	26	28	31
Sales and Related Workers	15	12	16	15
Supervisors and Foremen	3	1	3	3
Clerks and Craftsmen	15	24	16	8
Skilled Workers	13	10	13	16
Operatives	9	5	9	12
Service Workers	10	12	10	9
Unskilled Workers	7	10	5	6
Total	100	100	100	100

Source: Special tabulation of data from the Boston police lists.

Table V

Households: Total, White, and Nonwhite
Seaver-Townsend Renewal Area and Boston, 1950 and 1960

	Seaver-Townsend		Boston	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
1960 (Housing Units)				
Total	4,944	100	224,432	100
White	1,670	34	202,816	90
Nonwhite	3,274	66	21,616	10
1950 (Dwelling Units)				
Total	5,093	100	218,103	100
White	4,093	80	206,766	95
Nonwhite	1,000	20	11,337	5
Change 1950-1960				
Total	- 149	- 3	+ 6,329	+ 3
White	-2,423	- 59	- 3,590	- 2
Nonwhite	+2,274	+227	+ 10,279	+ 91

Source: U.S. Bureau of the Census, Seaver-Townsend data compiled from Census Tract Statistics Advance Table PH-1, 1960 and U.S. Census of Housing: 1960, Vol. III, City Blocks, Series HC(3), No. 180.

The few nursing homes in the area constitute the only minor exception.

The Seaver-Townsend household has grown smaller in the past decade. In 1960, the average housing unit contained 3.14 persons, a drop from 3.58 in 1950. White households, on the average, are considerably smaller than the nonwhite, containing 2.65, as compared with 3.38 persons. Since whites made up over 70 percent of the area's population in 1950, when the average household size, regardless of color, was considerably larger, these facts suggest that most of the white population that left the area during the past decade consisted of families with children; those who remained were largely single persons and childless couples. Almost two-thirds (63 percent) of all white households are now estimated to contain only one or two persons (Table VI). Only seven percent have five or more persons. As among whites, a substantial proportion of the nonwhite households in Seaver-Townsend, 43 percent, consist of one or two persons. There are also, however, many that are larger than average, for 23 percent of all nonwhite households in the renewal area contain five or more persons.

In a considerable number of the households in the Seaver-Townsend area a woman rather than a man is the head of the household. The statistics show that there are 4,944 household heads but only 2,968 wives of household heads (Table VII). Since the difference can only be accounted for by unmarried persons, and since we have seen that there are many more adult women than men residing in the area, we can only conclude that most of the unmarried heads of households are women.

Table VI

Percentage Distribution of Households by Number of Persons:
Total, White, and Nonwhite

Seaver-Townsend Renewal Area, 1960

<u>Number of Persons</u>	<u>Percentage Distribution</u>		
	<u>Total</u>	<u>White</u>	<u>Nonwhite</u>
1	16	22	14
2	32	41	28
3	20	20	20
4	14	10	15
5	8	4	11
6 or more	10	3	12
Total	100	100	100
Average	3.14	2.65	3.38

Source: U.S. Bureau of the Census, Seaver-Townsend data
compiled from Census Tract Statistics Advance Table
PH-1, 1960 and U.S. Census of Housing: 1960,
Vol. III, City Blocks, Series HC(3), No. 180.

Table VII

**Status of Population in Households, Number and Percent of Total:
Total, White, and Nonwhite
Seaver-Townsend Renewal Area, 1960**

<u>Status</u>	<u>Total</u>		<u>White</u>		<u>Nonwhite</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Head of Household	4,944	32	1,670	38	3,274	30
Wife of Head	2,968	19	1,032	23	1,936	18
Child Under 18	4,281	28	685	16	3,596	33
Other Relatives	2,579	17	913	20	1,666	15
Nonrelatives	497	4	111	3	386	4
Total	15,269	100	4,411	100	10,858	100

In addition to the primary family consisting of parents and children, a household may also include related persons as well as nonrelated individuals, such as lodgers. More than 20 percent of the household population of the Seaver-Townsend area consists of persons who do not belong to the primary family. Almost all of these, however, are relatives, probably older persons who are living with married children. There is a somewhat higher proportion of secondary persons in white than in nonwhite households.

Household Income and Rent Expenditures

The distribution of incomes of the households in the Seaver-Townsend renewal area reveals a substantial concentration in the middle and upper-middle brackets despite the fact that the median income of \$4,500 is somewhat below the comparable figure for the nation. According to a field survey conducted by the Boston Redevelopment Authority, 15 percent of the households in the Seaver-Townsend renewal area earned over \$7,500 a year and an additional 13 percent between \$6,000 and \$7,499. Only 21 percent fell into the categories below \$3,000. The remaining 51 percent were to be found in the income brackets between \$3,000 and \$5,999 per year (Table VIII).

Reflecting the fact that housing accommodations in the area are in satisfactory condition and generally well maintained, rent expenditures tended to be above the average. The median gross monthly housing expenditure, which includes the average heating and utility cost in addition to the contract rent, amounted to \$94 per month. Almost 40 percent of the households paid \$100 or more while only

Table VIII

Distribution of Gross Household Income and Gross
Monthly Rent (including Heat and Utilities)
Number in Sample and Percent of Total
Seaver-Townsend Renewal Area, 1961

A. Gross Monthly Rent						
Gross Income	Total Number	Percent	Under \$50	\$50-\$69	\$70-\$89	\$90-\$99
Under \$1,500	38	5	7	4	5	6
\$1,500-\$2,999	128	16	7	5	15	24
\$3,000-\$4,499	214	28	7	6	17	27
\$4,500-\$5,999	182	23	2	0	6	15
\$6,000-\$7,499	98	13	0	1	2	5
\$7,500- & over	119	15	1	2	0	6
Total	779	-	24	18	45	86
Percent	-	100	3	2	6	11

Source: Field Survey, Boston Redevelopment Authority

Table VIII cont'd

**Distribution of Gross Household Income and Rent-Income Ratio
Number in Sample and Percent of Total
Seaver-Townsend Renewal Area, 1961**

Source: Field Survey, Boston Redevelopment Authority

eleven percent spent less than \$70 per month. One-half of the families were to be found in the \$70 to \$99 rent bracket.

The proportion of income spent on rent tends to be high in the renewal area, with the ratio for the median family standing at 28 percent. Approximately 40 percent spend one-third of their income on rent and 17 percent devoted one-half or more to housing. The higher income families on the average devoted a smaller proportion of their income to housing, a relationship which is found almost universally.

Characteristics of Housing Units

The quality characteristics of the residential structures in the Seaver-Townsend area are presented in Chapter III of this report, but a few estimates from the census materials indicating the conditions under which the population of the area lives are in order here.

Renter occupancy is high today, as it was a decade ago. Nearly 83 percent of all occupied housing units are rented; only 17 percent are occupied by their owners, roughly the same percentage distribution as existed in 1950 (Table IX). Owner-occupancy, though low, is found more frequently among nonwhites than among the white population, about 20 percent and 12 percent respectively. For Boston as a whole, only 16 percent of the nonwhite families own their homes.

The difference in proportion of owner-residents reflects the difference in type of dwelling occupied by white and nonwhite families. Approximately 80 percent of the white population lives in multi-family structures; another 10 percent lives in three-family houses, and the remaining 10 percent in one and two-family dwellings. The Negro residents of Seaver-Townsend are to be found considerably more often

Table IX

Percentage Distribution of Housing Units by Tenure:
Total, White, and Nonwhite

Seaver-Townsend Renewal Area and Boston, 1960

	Percentage Distribution		
	<u>Total</u>	<u>White</u>	<u>Nonwhite</u>
Seaver-Townsend			
Owner Occupied	17	12	20
Renter Occupied	83	88	80
Total	100	100	100
Boston			
Owner Occupied	27	28	16
Renter Occupied	73	72	84
Total	100	100	100

Source: U. S. Bureau of the Census, Seaver-Townsend data compiled from Census Tract Statistics Advance Table PH-1, 1960 and U. S. Census of Housing: 1960, Vol. III, City Blocks, Series HC(3), No. 180.

in the smaller residential structures of the area, although they are beginning to enter the large apartment houses as well.

The majority of housing units in the Seaver-Townsend area, 74 percent, are estimated to have been classified as in "sound condition" by the Bureau of the Census in 1960 (Table X). Twenty-one percent of units were classified as "deteriorating," and five percent as "dilapidated." Less than two percent of the housing units in the area lack some or all plumbing facilities. Only seven percent of the units in the area are in dilapidated condition or lack necessary plumbing facilities, an observation confirmed by the BRA survey of building conditions (Table XI). A comparison of the conditions of the units occupied by whites and by nonwhites indicates virtually no difference in the quality of the housing supply available to each of these two groups. A comparison with Boston as a whole, in which 16 percent of the units are in these lower quality categories, reveals the relatively high susceptibility of this area to a program of rehabilitation.

Group Relations

As we have seen, the residents of Roxbury South can be divided into three groups: the white population, which is mostly Jewish and elderly; the better educated and higher-income Negroes; and the remainder, poorly educated, low-income Negroes.

While it is difficult to present precise statistics for the two groups of Negroes, the Seaver-Townsend area is known to have the greatest concentration of well-educated and upper-income Negro population in the state. It is among this upper segment of the Negro population that there is the greatest desire for urban renewal. They

Table X

Housing Units by Condition and Plumbing Facilities:
Total and Nonwhite Occupied

Seaver-Townsend Renewal Area and Boston, 1960

<u>Condition</u>	<u>Seaver-Townsend</u>				<u>Boston</u>	
	<u>Total</u>		<u>Nonwhite Occupied</u>			
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>		
Sound	3,888	74	2,295	70	79	
With all plumbing facilities	3,819	73	2,248	69	72	
Lacking some or all facilities	69	1	47	1	7	
Deteriorating	1,090	21	808	25	17	
With all plumbing facilities	1,066	20	788	24	12	
Lacking some or all facilities	24	1	20	1	5	
Dilapidated	238	5	165	5	4	
All Housing Units	5,216	100	3,268	100	100	
Dilapidated or lacking some or all plumbing facilities	331	7	232	7	16	

Source: U. S. Bureau of the Census, Seaver-Townsend data compiled from Census Tract Statistics Advance Table PH-1, 1960 and U. S. Census of Housing: 1960, Vol. III, City Blocks, Series HC(3), No. 180.

want to prevent the area from becoming a colored ghetto; they want to protect the values of their property, and they want to preserve the prestige position that Roxbury South enjoys among Negroes. It is among this group also that there is the most community cohesiveness, a good deal of concerned leadership, and useful neighborhood associations.

The Jewish Population

Most of the Jews in the Seaver-Townsend area came to the neighborhood about fifty years ago, often not directly from Europe, but as a second stopping place, perhaps after initial residence in the North End or the West End. A large-scale exodus got into full swing roughly in the mid-1950s and went in the Dorchester-Mattapan direction, with some also heading towards Brookline and Brighton. As indicative of the recent changes in the area, the Oldfield Street Synagogue (just east of Seaver-Townsend) was sold in the fall of 1961 to a Negro church; The Maimonides Institute on Elm Hill Road is moving to Brookline. The Blue Hill Avenue Synagogue (Congregation Adath Jeshurun), founded in 1894 and once the heart of a flourishing Jewish community, now attracts barely twenty people to a Saturday morning service; and though its attendance on the High Holidays is greater because of old members returning, it too has shown a steady decline over the years. Similarly, the Lubavitz Yeshiva draws fewer and fewer students from the Seaver-Townsend area; and the YMHA has sold its plant on Seaver Street to the Seventh Day Adventists and joined with the Hecht House on American Legion Highway.

Although there is no friction, their attitude towards the Negroes is restrained. This in part stems from the fact that those Jews that have remained are not the out-going community type. The main reason for this condition is that the Jewish population is chiefly elderly. They are the ones left behind by the younger and better off. Although one of the reasons many elders have remained is that they did not feel they could adjust to a new environment, many would very much desire to move into projects for the elderly. Their present housing arrangements are frequently unsatisfactory, especially for their older and delicate bodies.

There are no Jewish block associations in the Seaver-Townsend area. The synagogues have declined sharply in membership and do not possess a broad community outlook. Hecht House-YMHA is the only possible organization that could be called a center for the Jewish community. Very few of the participants in any of its activities, however, reside in the Seaver-Townsend renewal area. The Jewish Family and Children Service (Savin Street branch), which despite its name now serves mostly elderly clients, similarly has about twenty cases in the Seaver-Townsend area out of a total case load of 200.

In short, the Jewish community in the Seaver-Townsend area is declining. With little sense of future, there is not much incentive for neighborhood renewal. There is a desire for city projects for the elderly in Seaver-Townsend or elsewhere, and for better city services, such as more police protection, but probably little contribution to a self-help rehabilitation program could be expected. There is little interest among them, in contrast to upper-class Negroes, in saving

the neighborhood because to the Jews "The Neighborhood" no longer has much meaning. And, again unlike the upper-status Negroes, few Jews are home-owners.

The Negro Groups

The outstanding feature of the Seaver-Townsend area is its large community of educated, middle- and upper-income Negroes, with a high degree of consciousness of their worth and attainments and a set of values no different from those of other middle-class groups. As mentioned before, the contacts between this group and the white community have declined over the past years as the population has shifted. It is a bit more difficult to assess the degree of contact between the upper and lower groups of Negroes. That there is a line separating them, one cannot doubt. As among other people, levels of income, types of work, degree of education, values, "stability," and responsibility determine the complex social phenomenon called status; these elements interpose barriers to ready communication that are difficult to breach. The lower-income Negroes are the big question mark of the area. They are most frequently the newcomers, who are largely apartment dwellers. At least a segment of this group would appear to be responsible for the rise in social problems in the area, including a mounting number of unwed teenage mothers and anti-social teenage gangs. In general, it is problematical whether the low-income recent-immigrant sector of the population can be motivated to participate in the residential rehabilitation effort on a sustained basis.

Channels of Communication²

But if communication between upper and lower elements is limited, it is better than average for an urban community. It centers primarily around the churches and in Freedom House through the Coffee Hour and the block associations. That a Hutchings Street block association was created informally by the residents before Freedom House began its block work, seems to indicate that there is even some privately initiated organization.

St. Mark's Congregational Church is one of several meeting places for Negroes of upper and lower status. It is one of the largest congregations in the area, drawing about 250 to an average Sunday service. It is on the border between Washington Park and Roxbury South, and draws its members from the generally lower-income regions north of Townsend Street as well as from the Seaver-Townsend area. A sizeable proportion of the congregation is reported to have had some college education, which would seem to indicate an intermingling of upper and lower Negro groups. The Charles Street African Methodist Episcopal Church is another large institution in the area. It draws about 1,100 persons to Sunday services. The congregation, consisting of Negroes from all social strata, but no whites, devotes most of its efforts to religious endeavors.

The St. Mark's Social Center, like the church, is a healthy, going concern with a broad community outlook and a dedication to urban

² For a statement and evaluation of the social conditions, requirements and services, and of the public and private institutions, see Whitney M. Young, Jr. "A Preliminary Exploration of Social Conditions and Needs in the Roxbury-North Dorchester GNRP," Action for Boston Community Development, June 1961.

renewal. There is a waiting list for the afternoon programs for children at the Social Center, which is in the process of expansion. It plans to construct a new building to accommodate more activities. In addition, a field-work program detached from the Center is being initiated, which will focus on more fundamental, family-centered problems. Both these types of programs, recreational and social work, are part of a pioneering effort which intends to penetrate the withdrawn and hard-to-reach individuals. The Center is also concerned about how the low-income residents would react to urban renewal. By their very nature, they lack spokesmen to make their views and feelings known. In search of some answers to this problem, two surveys are being undertaken. The first seeks to discover the attitude towards urban renewal and self-help among the non-vocal, less educated population. The second is directed toward a study of the nature of leadership in the area, so that if potential representation is uncovered among the non-vocal elements, it can be encouraged and developed.

As for entirely secular institutions, Freedom House is far and away the outstanding community organization. It is neither a settlement house, recreational center, nor religious institution, but a uniquely Roxbury phenomenon. Its interests are in keeping as much of Roxbury as possible, particularly the Seaver-Townsend area in which it is located, an integrated, attractive community. Freedom House, particularly with its dynamic leadership, plays a vital role. Through its influence with the wider community, it has made the problem of Roxbury known; as an adult center, it has created a feeling of identity.

The most effective potential contribution of Freedom House to a rehabilitation program lies in the block associations it has organized

and could service in the future. Mr. Otto Snowden, the director, states that Freedom House has 17 existing block associations in Seaver-Townsend and 30 ready to go. They are organized in the northern part of the area as well as the southern (one on Howland Street, "an unofficial one on Harrishof Street"). Some of the block associations, however, are not particularly active at the moment because of a shortage of funds and staff. A successful neighborhood rehabilitation effort will require full-scale participation on the part of these groups. This may not be possible unless financial and technical support is forthcoming from private or public sources.

A block association is formed when Freedom House calls together five to ten people on a given street. They then elect a captain, try to get more members, and arrange to meet once or twice a month to discuss street problems, such as garbage disposal, snow or leaf removal, building a fence, planting flowers, pooling tools, etc. If there are any problems in which a word with the authorities is needed, the block captain refers the matter to Freedom House.

In terms of effective contribution to urban renewal, the programs of Freedom House and of St. Mark's Community Center complement each other. It seems that Freedom House's block associations would be of more direct immediate assistance, while St. Mark's programs are geared towards long-term, evolutionary cultural improvement of the neighborhood rather than to shorter-term physical alterations.

Communication is stimulated by the fact that a strong sense of neighborhood exists in the Seaver-Townsend area. To the upper-status Negroes, Roxbury South is the prestige area in all Massachusetts. Among the assets that they see in it are many of the things which the

Jews appreciated before them: proximity to Franklin Park, good transportation connections with downtown Boston, the two libraries, pleasant streets and homes. But it is also because they, as Negroes, are there. As it was a Jewish community before them, now it is a Negro community, and as such there has come to be a certain feeling of common destiny, of being a part of a neighborhood with significance.

There is also a large degree of mutual but private interests which brings the upper-status Negroes together in a desire to keep up the neighborhood. They are concerned about both the value of their property and the futures of their children. Both, however, are factors which can work both ways--that is, for the present they tend to encourage an interest in saving the community, but if not enough can be done or if it is not done fast enough, they could also be causes for abandoning the area.

Most upper-income Negroes moved into Seaver-Townsend after World War II, when the market for houses was very high. In addition, many have made substantial further investments (e.g., gamerooms, dining facilities.) Thus, they have put a considerable amount of money into their homes, which they probably could not recoup in today's market. Even the less wealthy Negroes are in this position. As home-owners they all have a common interest in rehabilitation.

Several respondents minimized the effect of the economic factors. They stressed the poor quality of community services, maintaining that the public schools in the neighborhood are inadequate, and that there is not enough police protection in the area. They object to the rise in the number of "unstable" families, and the fact that the neighborhood is

becoming too much of a ghetto. In short, the area is becoming a poor place to bring up children.

The financial loss that a family might suffer by moving elsewhere would be in large measure offset by other savings: the premiums on insurance policies and real estate taxes might be lower outside of Boston. Private school tuition would also be saved. All this may not, of course, be true for the less wealthy residents. But the higher-income Negroes, who are free to move out and who are only restrained by some very particular obstacle or a feeling of responsibility to their race and neighborhood, which cannot last forever, only can be kept by a renewal program which results in a general elevation of community services, including better schools and more police protection.

Conclusion

The prospects for active community participation in the urban rehabilitation program in the Seaver-Townsend area are very good. There is a healthy supply of experienced and concerned community leadership among the upper-class Negroes. There is also present a strong motivation for saving the neighborhood. A good organizational pattern exists in the block associations. A possible problem, though, is how to interest the apartment owners and dwellers, as opposed to the home owners, in urban renewal.

Though contact between Negro and white is small, there is no overt friction. Interest of the white community is low, largely limited to a desire for public housing for the elderly. The attitude of the lower-status Negroes is uncertain, but probably not too enthusiastic. A prevalent, and possibly justified, feeling of being neglected by the

city authorities would have to be combatted by visible measures: an improvement of police protection, schools, and other city services would have a salutary effect. If the program is begun in the not too distant future, a large amount of effective community participation could safely be expected.

Chapter III

The Financial Feasibility of Rehabilitation

The economic feasibility of rehabilitation in any renewal area depends upon the relationship of a number of factors. The cost of repairs necessary to bring each structure to the desired quality, the ability of the owner to finance these repairs from his own resources or through a loan, and the effect of his expenditure on carrying charges or rents must be considered. These financial factors are examined within this chapter.

Except for the most minor repairs, it would be an unusual owner who could finance the rehabilitation of his property without resort to borrowing. In renewal areas, the most favorable terms can be obtained through mortgaging the property with a loan insured under FHA Section 220, for an amount which permits both the financing of the cost of rehabilitation plus the refinancing of any outstanding mortgage.

At the time this study was made, FHA Section 220 mortgages on owner-occupied properties could be insured for amounts up to 97 percent of the first \$13,500 of estimated value, 90 percent from \$13,500 to \$18,000, and 70 percent of value over \$18,000. For absentee-owned residential properties, only 82.5 percent of the first \$13,500, 76.5 percent of the next \$4,500, and 59.5 percent of amounts over \$18,000 could be insured. The maximum loans which could be

insured went up to \$35,000 for a four-unit building plus \$7,000 additional for each unit between 5 and 11.¹ These limits are sufficiently higher than the estimated current value of structures in the area that they do not constitute a deterrent. The interest rate for these loans is the same as that for FHA-insured mortgages on new construction. At the time of this study, as of August 1, 1961, this was set at 5 1/4 percent plus an insurance premium of one-half percent on the outstanding balance. Maximum term was thirty years or three-quarters of the remaining economic life of the property, whichever is less. In estimating the debt service, we have assumed a thirty-year term.

The size of the loan which is necessary would, of course, be determined for each parcel by the amount of outstanding mortgage plus the cost of required repairs. A financial report was obtained for each property showing current assessed value, the date and consideration of last sale, for those sold since 1945, and the date, amount, and terms of all mortgages taken against it. From these data, estimates were made of both the current value and the current outstanding mortgage amount of each parcel.

The Condition of Properties

The Seaver-Townsend renewal area contains 1,324 residential structures, two-thirds of frame construction, one-third of masonry (Table XI). Over a third are three-family buildings, approximately

¹ Since the completion of the computations for this study, the permissible mortgage-value ratio and the maximum mortgage amounts have been slightly increased. These changes do not affect the feasibility of rehabilitation in this area.

Table XI

Number of Residential Structures and Percentage Distribution
of Totals, by Number of Dwelling Units and Condition:
Total, Frame, and Masonry Construction

Seaver-Townsend Renewal Area, 1961

Condition	Number of Dwelling Units in Structure					
	Total		One	Two	Three	Four or More
	<u>Number</u>	<u>Percent</u>				
A. Total						
1	103	8		24	60	8
2	208	16	16	51	87	56
3	713	53	68	178	268	199
4	12	1	-	3	7	2
5	196	15	24	60	64	48
6	92	7	14	30	25	23
Total	1,324	-	133	346	509	336
Percent	-	100		10	26	25
B. Frame						
1	93	11	11	23	54	5
2	142	16	15	48	66	13
3	443	50	68	155	186	34
4	5	*	-	2	2	-
5	138	16	24	53	51	10
6	64	7	14	24	19	7
Total	884	-	132	305	378	69
Percent	-	100		15	34	8
C. Masonry						
1	10	2	-	1	6	3
2	66	15	1	3	19	43
3	270	62	-	23	82	165
4	8	2	-	1	5	2
5	58	13	-	7	13	38
6	28	6	-	6	6	16
Total	440	-	1	41	131	267
Percent	-	100	*	9	30	61

*Less than .5 percent

Source: Housing Survey, Boston Redevelopment Authority, 1961

a quarter each contain two and four or more units, while one-tenth are single-family dwellings. Masonry construction is concentrated among the structures containing four or more units. Four-fifths of these are built of masonry, and they constitute three-fifths of all masonry buildings. All but one of the single-family buildings is frame.

These structures have been examined by field representatives of the Redevelopment Authority and classified in condition groups 1 through 6, from those so deteriorated or so lacking in facilities as to require clearance to those in good condition not needing any repairs. In the intermediate designations, condition 2 indicates need of major repairs, 3 and 4 show need of intermediate repairs, and 5 need of minor repairs, in order to conform to the Boston housing code. Eight percent of all structures, but somewhat over a tenth of the frame, were in need of clearance. Only seven percent were in sound condition, needing no repairs. Over half of both frame and masonry structures were in condition 3, needing intermediate repairs.

Over the course of the years, some of these structures have come into common ownership, and are now sold and assessed as units. These 1,324 structures now form 1,234 real estate parcels, divided among size and condition in much the same proportion as the structures which they contain (Table XII). Since this study is concerned with the financial feasibility of rehabilitation, it will not consider either the 99 parcels whose structures are in such bad condition that they require clearance, nor the 81 whose structures are not in need of repair at all. We shall be concerned only with the 85 percent of the parcels

Table XII

Number of Parcels and Percentage Distribution of Totals,
by Number of Dwelling Units and Condition:
Total, Frame, and Masonry Construction

Seaver-Townsend Renewal Area, 1961

<u>Condition</u>	<u>Number of Dwelling Units in Parcel</u>					
	<u>Total</u>		<u>One</u>	<u>Two</u>	<u>Three</u>	<u>Four or More</u>
<u>Number</u>	<u>Percent</u>					
A. Total						
1	99	8	11	23	53	12
2	193	16	16	50	77	50
3	679	54	66	180	249	184
5	182	15	25	58	57	42
6	81	7	14	30	26	11
Total	1,234	-	132	341	462	299
Percent	-	100	11	28	37	24
B. Frame						
1	89	11	11	22	47	9
2	142	16	15	48	64	15
3	437	51	66	156	181	34
5	132	15	24	53	44	11
6	61	7	14	24	20	3
Total	861	-	130	303	356	72
Percent	-	100	15	35	41	9
C. Masonry						
1	10	3	-	1	6	3
2	51	14	1	2	13	35
3	242	65	-	24	68	150
5	50	13	1	5	13	31
6	20	5	-	6	6	8
Total	373	-	2	38	106	227
Percent	-	100	1	10	28	61

whose structures were found to be in conditions 2 through 5. Because they are so few in number, for this analysis the parcels containing structures in condition 4 have been included with those in condition 3. Insofar as the cost of their repair would be lower than that of buildings in condition 3, this study will somewhat underestimate the financial feasibility of their repair. Since only 12 parcels are in the class, however, the difference cannot significantly affect the conclusions reached herein.

Costs of Rehabilitation

The costs of improving the condition of typical structures in each size and condition class to the standards of the Boston housing code, for both frame and masonry construction, were estimated by a team of inspectors under the direction of the Boston Redevelopment Authority. From these, estimated average costs were developed for structures in each class. For parcels containing four or more dwelling units, the average cost per dwelling unit was computed, since total costs would be meaningless with the wide range in number of units (Table XIII). For frame structures with one to three dwelling units, estimated costs of rehabilitation range from \$200 for a one-family building in need of minor repairs to \$4,145 for a three-family building in need of major repairs. Costs of rehabilitating masonry buildings are in most cases somewhat lower, ranging from \$175 to \$2,925. The cost per dwelling unit for frame buildings containing four or more units ranged from \$270 to \$2,000; for masonry structures, from \$250 to \$870.

Table XIII

Average Estimated Costs of Rehabilitation, by Number of Dwelling Units and Condition of Structures: For Frame and Masonry Construction
Seaver-Townsend Renewal Area, 1961

<u>Condition</u>	<u>Number of Dwelling Units in Parcel</u>			
	<u>One</u>	<u>Two (per structure)</u>	<u>Three</u>	<u>Four or More (per dwelling unit)</u>
A. Frame				
2	\$ 900	\$ 1,895	\$ 4,145	\$ 2,000
3	410	810	2,970	1,000
5	200	410	585	270
B. Masonry				
2	\$ 800	\$ 1,850	\$ 2,925	\$ 870
3	410	1,143	1,785	550
5	175	525	700	250

New Mortgage-Value Ratio

Before determining whether the required mortgage amount would fall within the limits permitted under FHA Section 220, a decision must be made of the extent to which the proposed rehabilitation will increase the current value of the property. It would be possible for a lending institution or FHA to take the view that repairs which bring the structure into conformity with the housing code are in effect only delayed maintenance, so that expenditures for this purpose would not add any value to the property. If this were the case, for fifty properties the required mortgage would exceed the estimated value of the property; for more than a hundred additional properties, the mortgage would have to be too high a ratio of the value to be obtainable if the property is now owner-occupied (Table XIV). Since all but three of these properties contain multi-family structures, where the incidence of owner-occupancy is lower than in single-family buildings, the likelihood is that the number which cannot obtain a sufficiently high mortgage would be close to 150, approximately 15 percent of the total.

It is more likely, however, that these institutions would add the cost of rehabilitation to the current value of the property. The repairs required to bring these structures into conformity with the housing code are of a nature which adds to the facilities or lengthens the life of the building, so that its value is in fact increased. Further, the Housing Act of 1961 emphasizes the desirability of rehabilitation in renewal areas, and specifically permits the FHA to insure mortgages in such areas for an amount covering outstanding existing debt and the cost of repairs.

Table XIV

Number of Properties for Which Outstanding Mortgage
Plus Cost of Rehabilitation Would Be Too Great a Pro-
portion of Current Value, by Number of Dwelling Units
and Condition of Parcels: If Resident and Absentee Ownership

Seaver-Townsend Renewal Area, 1961

<u>Condition</u>	<u>Number of Dwelling Units</u>				
	<u>Total</u>	<u>One</u>	<u>Two</u>	<u>Three</u>	<u>Four or More</u>
A. If Resident Ownership					
2	24	-	1	14	9
3	26	-	1	19	6
5	-	-	-	-	-
Total	50	-	2	33	15
B. If Absentee Ownership					
2	59	2	11	30	16
3	87	1	17	54	15
5	8	-	5	2	1
Total	154	3	33	86	32

If it is assumed that the value of the property will be raised by the cost of rehabilitation, only two properties, both containing three dwelling units in condition 3, would require a mortgage of a greater amount than that permissible for owner-occupied structures. If the properties are not owner-occupied, however, the ratio of outstanding mortgage plus the cost of rehabilitation to current value plus the cost of rehabilitation (hereafter called the new mortgage ratio) would be too great in 48 cases, five percent of the total (Table XV). A quarter of these are in need of major repairs, two thirds in need of intermediate repairs. Over half are properties containing three dwelling units, and a third contain two units. These 48 cases are, of course, the maximum number of parcels in which the new mortgage ratio would be too great. Insofar as some of these are owner-occupied, fewer than five percent of the parcels would require a larger mortgage than permitted under the regulations of FHA Section 220.

Changes in Debt Service

The effect of the new mortgage upon debt service is considerably more serious than the problem of too high a mortgage-value ratio. For some families in the Seaver-Townsend area, incomes are low and for many the rent-income ratios are high. Families in these categories would find it difficult to increase their housing costs. It can be assumed, therefore, that increased debt service imposes an impediment to rehabilitation. There is an exception to this. Housing costs for owner-occupants of those properties which are not mortgaged presumably are among the lowest in the area, since they pay nothing for

Table XV

Number of Parcels Whose New Mortgage Ratio Would Be Too High, If All Parcels Were Absentee Owned, by Number of Dwelling Units and Condition of Properties

Seaver-Townsend Renewal Area, 1961

<u>Condition</u>	<u>Number of Dwelling Units</u>				
	<u>Total</u>	<u>One</u>	<u>Two</u>	<u>Three</u>	<u>Four or More</u>
2	12	-	4	6	2
3	31	1	9	18	3
5	5	-	4	1	-
Total	48	1	17	25	5

debt service; tenants in these properties either pay lower than average rents, or the owners presumably obtain a higher dollar return than the average. It can arbitrarily be assumed for purposes of calculation, then, that an increase in costs of up to \$10 per month per dwelling unit can be absorbed either by the residents or owners of such structures. There is little question then that rehabilitation can be considered financially feasible, therefore, if debt service will not increase for mortgaged properties, and will amount to less than \$10 per month per dwelling unit for currently unencumbered properties.

The new debt service resulting from refinancing the outstanding debt and financing rehabilitation with a mortgage insured under FHA Section 220 would be equal to or lower than current debt service for almost nine-tenths of the 759 currently mortgaged properties (Table XVI). It would increase for only 88 parcels, 12 percent of the total. In over 500 of these, the resultant debt service would be reduced by at least 20 percent, forming a substantial inducement to owners to undergo the nuisance and financial risks involved in rehabilitation. Of the parcels whose debt service would rise, half contain three dwelling units in need of major or intermediate repairs, and most of the remainder are larger parcels containing four or more units. Debt service would not increase for any single-family unit, and for only five of the parcels containing two dwelling units. If condition is considered, half of these in which debt service would increase are in condition 2; they constitute three-tenths of all parcels containing structures in this condition. All but three of the rest are in condition 3.

Two hundred ninety-five of the parcels, most containing multi-family buildings, are not now mortgaged (Table XVII). Two-thirds

Table XVI

Distribution of Currently Mortgaged Properties by Ratio
of FHA 220 Debt Service to Current Debt Service, by
Number of Dwelling Units and Condition of Parcels

Seaver-Townsend Renewal Area, 1961

Number of Dwelling Units & Condition	Ratio of FHA 220 to Current Debt Service					
	Total		1.00 and lower		Over 1.00	
	Number	Percent	Number	Percent	Number	Percent
<u>One</u>						
Condition 2	14	100	14	100	0	0
3	38	100	38	100	0	0
5	13	100	13	100	0	0
Total	65	100	65	100	0	0
<u>Two</u>						
Condition 2	41	100	36	88	5	12
3	132	100	132	100	0	0
5	44	100	44	100	0	0
Total	217	100	212	98	5	2
<u>Three</u>						
Condition 2	59	100	36	61	23	39
3	196	100	175	89	21	11
5	46	100	46	100	0	0
Total	301	100	257	85	44	15
<u>Four or More</u>						
Condition 2	32	100	16	50	16	50
3	119	100	99	83	20	17
5	25	100	22	88	3	12
Total	176	100	137	78	39	22
<u>All Parcels</u>						
Condition 2	146	100	102	70	44	30
3	485	100	444	92	41	8
5	128	100	125	98	3	2
Total	759	100	671	88	88	12

Table XVII

Number of Unmortgaged Parcels by Number of Dwelling Units
and Condition: Total, Frame, and Masonry Construction

Seaver-Townsend Renewal Area, 1961

<u>Condition</u>	<u>Total</u>	<u>Number of Dwelling Units</u>			
		<u>One</u>	<u>Two</u>	<u>Three</u>	<u>Four or More</u>
A. Total					
2	47	2	9	18	18
3	194	28	48	53	65
5	54	12	14	11	17
Total	295	42	71	82	100
B. Frame					
2	28	2	8	13	5
3	125	28	42	40	15
5	40	11	14	9	6
Total	193	41	64	62	26
C. Masonry					
2	19	0	1	5	13
3	69	0	6	13	50
5	14	1	0	2	11
Total	102	1	7	20	74

of these are in need of intermediate repairs, and an additional one-sixth in need of major repairs. The FHA Section 220 debt service for these parcels, of course, would equal the service for a mortgage of an amount equal to the cost of rehabilitation. The total debt service for these amounts, and average per dwelling unit, is shown in Table XVIII. For 277 parcels or 93 percent of the cases, the average debt service per dwelling unit would fall below \$6 per month, and 65 percent would be less than \$4 a month (Table XIX). Only for frame structures containing four or more dwelling units in condition 2, the debt service per dwelling unit exceeds \$10 per month. Five parcels fall into this category.

It is now possible to total all properties whose rehabilitation is not financially feasible, according to our definition, because of the change in debt service which would result from financing the cost of repairs. Ninety-three parcels, nine percent of the total, would not be able to be rehabilitated for this reason (Table XX). Except for five parcels containing two dwelling units, these are divided equally among parcels containing three units and those containing four or more; and except for three parcels, equally divided between those needing major and intermediate repairs. The change in debt service would not preclude the rehabilitation of any single-family building, and of only three parcels in need of minor repairs.

Financial Feasibility of Rehabilitation

Although it might be expected that financing the costs of rehabilitation would cause the same parcels to have too great a new mortgage ratio and an increased debt service, in fact only seven parcels

Table XVIII

Total Monthly Debt Service and Average per Dwelling Unit for
Amounts Necessary to Finance the Estimated Cost of
Rehabilitation of Frame and Masonry Structures

Seaver-Townsend Renewal Area, 1961

Condition	Number of Dwelling Units							
	One		Two		Three		Four or more	
	Total	Average	Total	Average	Total	Average	Total	Average
A. Frame								
2	5.36	5.36	11.28	5.64	24.66	8.22	11.90	
3	2.44	2.44	4.82	2.41	17.67	5.89	5.95	
5	1.19	1.19	2.44	1.22	3.48	1.16	1.61	
B. Masonry								
2	4.76	4.76	11.00	5.50	17.40	5.80	5.18	
3	2.44	2.44	6.80	3.40	10.62	3.54	3.27	
5	1.04	1.04	3.10	1.55	4.17	1.39	1.49	

Table XIX

Currently Unmortgaged Parcels by Average Monthly
Debt Service per Dwelling Unit After Rehabilitation, by
Number of Dwelling Units per Structure

Seaver-Townsend Renewal Area, 1961

<u>Monthly Debt Service</u>	<u>Number of Dwelling Units per Structure</u>					
	<u>Total Number</u>	<u>Percent</u>	<u>One</u>	<u>Two</u>	<u>Three</u>	<u>Four or More</u>
Under \$2.00	54	18	12	14	11	17
\$2.00-\$3.99	139	47	28	48	13	50
\$4.00-\$5.99	84	28	2	9	45	28
\$6.00-\$7.99	0	0	0	0	0	0
\$8.00-\$9.99	13	5	0	0	13	0
\$10.00-\$11.99	5	2	0	0	0	5
Total	295	100	42	71	82	100

Table XX

Number of Parcels Whose Rehabilitation Is Not Financially Feasible Because of Changed Debt Service*, by Number of Dwelling Units and Conditions

Seaver-Townsend Renewal Area, 1961

<u>Condition</u>	<u>Number of Dwelling Units</u>				
	<u>Total</u>	<u>One</u>	<u>Two</u>	<u>Three</u>	<u>Four or More</u>
2	49	-	5	23	21
3	41	-	-	21	20
5	3	-	-	-	3
Total	93	-	5	44	44

*This includes all currently mortgaged parcels in which debt service on FHA Section 220 mortgages would be higher than current debt service, and all currently unmortgaged parcels in which a debt service of \$10 or more per month per dwelling unit would result.

fall into both groups. Allowing for this overlap, rehabilitation would be financially feasible for almost nine-tenths of the parcels (Table XXI). It would not be feasible in the case of 95 properties, nine percent of the total, if they are owner-occupied; or of 124 parcels, 13 percent of the total, if they are absentee-owned. The number falls somewhere between these limits, probably closer to the larger number, since the proportion of owner-occupancy is normally lower in multi-unit structures, which form the bulk of these properties.

There is some concentration of these properties, both in absolute numbers and as a proportion of the total in the class, among those in worse condition and with a greater number of dwelling units. Thus, rehabilitation is not feasible for over a quarter of the parcels in need of major repairs, but less than five percent of those in need of minor repairs. There is no owner-occupied single-family unit, and only one, if absentee-owned, whose rehabilitation is not feasible; but it is not feasible for one-sixth of all parcels containing four or more units, and for over four-tenths of this size group in condition 2. Just short of half of those whose rehabilitation is not feasible are parcels with three dwelling units. If the properties are owner-occupied, somewhat over half are in need of major repairs; if they are absentee-owned, the same proportion are in condition 3, with those in condition 2 forming two-fifths of the total.

This estimate of the number of properties whose rehabilitation is not feasible is based upon the assumption that owners of mortgaged properties will not be willing to increase their payments for debt service at all. In fact, however, the FHA Section 220 debt service

Table XXI

Number of Parcels Whose Rehabilitation Is Not Financially Feasible, Percent of Total and of Number in Each Size - Condition Class, by Condition and Number of Dwelling Units per Parcel, Assuming Resident and Absentee Ownership

Seaver-Townsend Renewal Area, 1961

A. If All Parcels Are Owner-Occupied

1. Total All Parcels

	Total <u>Not Feasible</u>	Condition		
		<u>2</u>	<u>3</u>	<u>5</u>
Number	95	49	43	3
Percent of Total	100	52	45	3
Percent of Class	9	25	6	2

2. One-Dwelling Unit

Number	0	0	0	0
Percent of Total	0	0	0	0
Percent of Class	0	0	0	0

3. Two-Dwelling Units

Number	5	5	0	0
Percent of Total	5	100	0	0
Percent of Class	2	10	0	0

4. Three-Dwelling Units

Number	46	23	23	0
Percent of Total	49	50	50	0
Percent of Class	12	30	9	0

5. Four or More Dwelling Units

Number	44	21	20	3
Percent of Total	46	48	45	7
Percent of Class	16	42	11	7

B. If All Parcels Are Absentee-Owned

1. Total All Parcels

	Total Not Feasible	Condition		
		2	3	5
Number	124	55	61	8
Percent of Total	100	44	49	7
Percent of Class	13	28	9	4

2. One-Dwelling Unit

Number	1	0	1	0
Percent of Total	1	0	100	0
Percent of Class	1	0	2	0

3. Two-Dwelling Units

Number	22	9	9	4
Percent of Total	18	41	41	18
Percent of Class	8	18	5	7

4. Three-Dwelling Units

Number	54	24	29	1
Percent of Total	43	44	54	2
Percent of Class	14	31	16	2

5. Four or More Dwelling Units

Number	47	22	22	3
Percent of Total	38	47	47	6
Percent of Class	17	44	12	7

would be higher than the current charges primarily for those properties whose debt service is now lowest (Table XXII). In over half the cases in which we assumed that an increased debt service would preclude rehabilitation, the actual payments are now under \$20 per month; in two-thirds of the cases, under \$30. Although the percentage increases in debt service would be large, the absolute amounts in most cases are small. For over half the currently mortgaged properties, the increase in debt service would be less than \$4 per month, and for three-quarters, it would be under \$10 per month.

Moreover, none of these parcels contain single-family houses, so that the average increase for each household would be even smaller. If it is assumed that an increase of \$5 per month can be absorbed by either the owner or tenant of each dwelling unit, the change in debt service would prevent rehabilitation in only seven parcels, all of which contain three dwelling units in need of major repairs. However, for five of these parcels, if they are absentee-owned, the new mortgage ratio would be too high to permit obtaining sufficient financing to cover the costs of rehabilitation. Considering both the change in debt service and permissible mortgage-value ratios, rehabilitation would not be financially feasible for a total of only 14 to 48 parcels, depending upon the extent of owner-occupancy (Table XXIII). That is, if an increase in debt service of up to \$5 per month per dwelling unit is considered acceptable, rehabilitation could be financed for all but one to five percent of the properties.

These figures must, however, be accepted only with the greatest caution. Although this increase seems like a very small

Table XXII

Number of Parcels by Difference Between Section FHA 220 Debt Service and Current Debt Service, by Amount of Current Debt Service
Seaver-Townsend Renewal Area, 1961

Current Debt Service	Total	-\$20 & over	-\$15 to -\$19	-\$10 to -\$14	-\$5 to -\$9	-\$1 to -\$4	Zero	+\$1 to \$4	+\$5 to \$9	+\$10 to \$14	+\$15 & over
Under \$10	28	0	0	0	4	1	5	15	2	1	0
\$10-\$19	120	0	0	8	30	48	9	15	6	3	1
\$20-\$29	83	4	6	8	27	13	4	7	3	5	6
\$30-\$39	52	11	6	17	10	3	0	1	2	2	0
\$40-\$49	73	24	16	12	11	3	1	1	3	2	0
\$50-\$59	71	32	8	11	7	2	0	8	1	2	0
\$60-\$69	58	42	6	4	3	2	0	1	0	0	0
\$70-\$79	67	41	10	6	7	1	1	1	0	0	0
\$80-\$89	60	49	7	2	2	0	0	0	0	0	0
\$90-\$99	60	47	8	2	3	0	0	0	0	0	0
\$100-\$109	37	32	1	1	1	2	0	0	0	0	0
\$110 & over	50	45	4	1	0	0	0	0	0	0	0
Total	759	327	72	105	75	20	49	17	15	7	
Percent	100	43	9	9	14	10	3	7	2	2	1

Table XXIII

Number of Parcels Whose Rehabilitation Would Not Be Financially Feasible If an Increase in Monthly Debt Service Is Permitted of \$5 per Month for Dwelling Units in Currently Mortgaged Properties and of \$10 per Month for Units in Currently Unmortgaged Properties, and If the New Mortgage Ratio Conforms to Regulations of FHA Section 220; by Number of Dwelling Units and Condition of Parcels: If Resident and Absentee Ownership

Seaver-Townsend Renewal Area, 1961

Condition	Number of Dwelling Units in Parcel				
	Total	One	Two	Three	Four or more
A. If Resident Ownership					
2	12	-	-	7	5
3	2	-	-	2	-
5	-	-	-	-	-
Total	14	-	-	9	5
B. If Absentee Ownership					
2	22	-	4	11	7
3	21	1	9	8	3
5	5	-	4	1	-
Total	48	1	17	20	10

one, the lowest rentals in the area are for the most part paid by families who, because of their low incomes, devote an extremely high proportion of their income to rent. For these low-income families with a rent-income ratio of from 20 to more than 50 percent, an increase of an apparently small amount could be met only at the price of a decrease in other essential expenditures (Table VIII). They might well choose to move to worse housing or take in lodgers who would share the rent, rather than accept such an increase. The degree to which low debt service results in low housing expenditures for residents varies with the tenure and the policy of owners of rental units; the extent to which an increase in debt service could be passed on to tenants would vary with the competitive position of the dwellings in the local housing market. The probable results of an increase of even a very few dollars would vary greatly from one neighborhood to another, depending upon the particular relationships of the relevant factors. The Redevelopment Authority should therefore consider seriously the possible effects in this one area before adopting a program based upon the assumption that debt service could be increased to the extent suggested here without causing difficult problems of relocation or over-crowding.

Feasibility of Including Additional Improvements

The changes in debt service which have been discussed would result from refinancing existing debt and financing only the cost of removing housing code violations. Property owners whose monthly debt service would be lower after refinancing than their current payments may well prefer to keep their monthly costs at the same level, borrow-

ing a larger sum with which to improve their properties in ways not required by the code. Such a procedure, of course, would result in improved housing conditions and a more valuable property. It would have the further advantage, if they were considering undertaking the additional repairs at some later time, of a possible saving in total cost and a certain decrease in the nuisance of dealing with building contractors if all repairs are done at once rather than in installments.

The debt service for each \$1,000 borrowed under FHA Section 220 is \$5.95. Each \$5 in debt service, therefore, can finance approximately \$850. There are 651 parcels whose FHA 220 debt service would be lower than the current debt service (Table XXII). If the monthly debt service were kept at the same level rather than reduced, 75 owners could finance additional improvements of up to \$850; 105, improvements costing between \$850 and \$1,700; 72, between \$1,700 and \$2,550; 72, between \$2,550 and \$3,400; and 327, improvements costing over \$3,400. Thus, over half of the properties in the area could be improved to some condition higher than simple conformity with code standards, and over a quarter could be so improved as to incorporate material alterations which could be financed by \$3,400 or more with no increase in the monthly debt service.

Attitude of Lending Institutions

If rehabilitation is to be feasible, not only must the owners possess sufficient equity to meet the requirements for an acceptable ratio of mortgage to value, and sufficient income to carry the debt service, but lending institutions must be prepared to make loans in the neighborhood. In many renewal areas, regular lending institutions are

reluctant to take mortgages upon the structures to finance either sales or rehabilitation by existing owners. If recourse is had to individuals for mortgage finance, even when such funds are available in these areas, they typically are loaned for short terms at high rates of interest and for a relatively low percentage of the value.

This is not the situation in Seaver-Townsend, however. The number of transactions for which data are available, although dropping in 1960-61, has remained considerably above the annual rate of sales in 1945-49 (Table XXIV). Parcels in each of the four size classes participated in the increased sales in the 1950's and the drop in the last year and a third. The majority of these sales were financed by lending institutions, although the proportion dropped to three-quarters in 1960-61 from a high of over nine-tenths in the 1950-54 period (Table XXV). The number of mortgages for which data are available is somewhat higher than the number of transactions, since a sizeable number of properties are mortgaged at some time after their last sale. The proportion of mortgages taken and of mortgage amounts loaned by lending institutions was of the same order as the proportion of transactions they financed, except in the last year and a third. Although three-quarters of the transactions were financed by institutions in 1960-61, only three-fifths of the mortgages were issued by them. The mortgage-value ratio has also shown a change. Approximately two-fifths of the properties purchased with mortgages were mortgaged at 90 percent or more of the consideration during the entire post-war period, until the last period; during 1960-61, this proportion dropped to under one-third (Table XXVI). At the same time, those mortgaged at 67 to 90 percent of consideration increased from a little over two-fifths to almost three-fifths of the

Table XXIV

Number of Transactions for Which Consideration is Known
and Annual Average, by Five-Year Periods and
by Number of Dwelling Units in Parcel

Seaver-Townsend Renewal Area, January 1945 to April 1961

<u>Period</u>	<u>Total</u>	<u>Number of Dwelling Units</u>			
		<u>One</u>	<u>Two</u>	<u>Three</u>	<u>Four or more</u>
A. Total Number of Transactions					
1945-49	108	11	26	57	13
1950-54	211	25	74	79	16
1955-59	263	23	63	104	27
1960-61	49	4	17	20	8
B. Average Annual Transactions					
1945-49	22	2	5	11	3
1950-54	42	5	15	16	7
1955-59	53	5	13	21	15
1960-61	37	3	13	15	6

Table XXV

Distribution of Number of Transactions and Total Consideration, and Number of Mortgages and Total Mortgage Amount, by Institutional and Noninstitutional Mortgagees by Period

Seaver-Townsend Renewal Area, January 1945 to April 1961

Period and Type of Mortgagee	Transactions			Mortgages		
	Number	Percent	Amount (\$000's)	Number	Percent	Amount (\$000's)
1945-49						
Institutional	82	79	\$ 953.6	77	79	\$ 923.9
Noninstitutional	22	21	288.8	23	21	245.8
N. A.	4	-	50.3	-	-	19.8
Total	108	100	1,292.7	100	100	1,189.5
1950-54						
Institutional	185	93	2,651.2	93	92	3,087.6
Noninstitutional	14	7	187.0	7	8	207.0
N. A.	12	-	144.2	-	-	46.1
Total	211	100	2,982.4	100	100	3,340.7
1955-59						
Institutional	224	88	3,796.9	87	85	3,499.9
Noninstitutional	31	12	575.8	13	15	585.0
N. A.	8	-	107.0	-	-	63.4
Total	263	100	4,479.7	100	100	4,148.3
1960-61						
Institutional	36	75	500.3	72	49	520.8
Noninstitutional	12	25	196.6	28	34	321.5
N. A.	1	-	13.0	-	1	7.5
Total	49	100	709.9	100	84	849.8

Table XXVI

Number and Percentage Distribution of Transactions
Financed by Mortgages, by Ratio of Mortgage to
Consideration by Period of Sale

Seaver-Townsend Renewal Area, January 1945 to April 1961

<u>Period</u>	<u>Ratio of Mortgage to Consideration</u>							
	<u>Total</u>		<u>.66 and under</u>		<u>.67 - .89</u>		<u>.90 and over</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
1945-49	85	100	12	14	36	42	37	44
1950-54	165	100	25	15	74	45	66	40
1955-59	234	100	32	13	107	46	95	41
1960-61	35	100	4	11	20	57	11	32

total. This may indicate a greater reliance on conventional mortgages and a falling off of the FHA-insured and VA-guaranteed mortgages, although it would be impossible to say, if this drop in government-insured mortgages did occur, whether it was caused by the reluctance of individuals or institutions to take such mortgages or the reluctance of the FHA or VA to insure them.

Conclusion - Prospects for Rehabilitation

The Seaver-Townsend area is pre-eminently suited for an urban renewal effort whose emphasis is almost exclusively on rehabilitation. The overwhelming majority of the structures are in sound condition and, in fact, many require only modest investment to bring them into compliance with the existing codes. The foregoing analysis reveals that the value structure and the existing quality of the properties provide a sufficient base for financing the required improvements as well as refinancing the outstanding mortgage debt should this be necessary. In fact, under the available terms of FHA 220 loans, the bulk of the structures can be rehabilitated with little or no increase in debt service or in rent.

This situation indicates that a higher level of improvement than mere observation of code standards could be achieved by individual property owners in this area, in view of the fact that the area has retained a substantial proportion of middle-income families and is endowed with locational advantages, including an adjoining major park and easy access to centers of employment in downtown Boston and elsewhere. Attaining a marked elevation in the quality of the housing supply would constitute a significant means of preserving and enlarging social cohesiveness in the area.

Investments of local property owners and mortgage lenders will undoubtedly be forthcoming if there is a demonstration on the part of the municipality of the interest of the city in preserving this area. Material demonstrations through improved services would indeed hasten the effectuation of the renewal program by stimulating the voluntary participation of the interested parties. In view of the array of economic and financial resources available in this community, there is every reason to believe that a major rehabilitation program can be substantially completed within a period of five years.

Chapter IV

Selected Case Studies

This chapter presents a selected group of hypothetical cases which illustrate the types of situations that will be encountered in the rehabilitation of residential structures in the Seaver-Townsend area. Although the information and data presented in each of these cases are hypothetical, that is, they do not refer to any specific property, the cases themselves offer typical or characteristic illustrations. Each case is constructed by drawing upon actual records of families and residential structures in the area. In order to display the types of problems that will be encountered in the course of the renewal effort, these cases represent a variety of types of households and of residential structures. Different tenure situations and different requirements for rehabilitation are revealed. Some structures are in a relatively acceptable state of repair, while others will require substantial investments in order to rectify structural deficiencies. In each case, two cost estimates are presented: the first refers to the cost of correcting whatever violations of the structural building code may exist; the second estimate includes the cost of raising the quality of the structure up to acceptable levels which go beyond the minimum requirements laid down by the law.

Case A

Located in the southern part of the project area, not far from Egleston Square, this two-family frame house is in average condition. The lot is adequate for play or gardening but not for parking. Structure A, along with one or two nearby houses, was built around 1880 and is of wood shingle construction. It is now being painted for the first time in many years. The first two floors each have five rooms and there is a gable half story, presently being used for storage only. It was originally a house of substantial construction, but it has been neglected for many years and would require considerable work and investment for proper rehabilitation.

Wilson P. is a Negro religious musician who bought this house nearly forty years ago. He has spent his lifetime, in his own terms, paying for it through a whole series of mortgages. It is now paid for, and Mr. P. wants to be left alone for the rest of his days. He is 66 years old but still maintains such a busy schedule that he has no time to talk to surveyors for urban renewal. (Each day in his life is divided up into a series of activities starting with a few hours' gardening, then a few hours of writing a book, and finally, several hours in practicing his music.) He has only a limited income from his religious work, and he does not want to spend any of this on improvements to the house.

Mr. P. lives on the second floor. For the past three years, the first floor has been occupied by the family of his daughter and son-in-law who pay no rent but who have agreed to make improvements equal to a fair rent for the apartment. John and Jane W. formerly

lived in another part of the project area but moved because of a rent increase and the lack of heat in that dwelling. Both in their mid-thirties, they have three children, ranging in age from 2 to 10 years. Mr. W. is a cook and earns about \$109 per week. They have made improvements in the apartment and in the house equal to about \$50 per month. In addition to this rent-equivalent, heating and utilities expenses bring their "rent" up to about \$108 per month. The family, therefore, seems to be paying about 23 percent of their gross income in housing expenses. The couple say that they came to Structure A to assist Mrs. W.'s father, the owner. They are proud of the improvements they have made in the apartment, but feel that they would be better off renting or, preferably, buying a house of their own. They claim that Mr. P. resists any improvement and "fixing up the house is a thankless task." The family would prefer to live somewhere in upper Roxbury, even though they have no close ties to any local facilities and their relatives are scattered throughout Boston and Cambridge.

Structure A is thus in the process of being improved, but this progress does not promise to go very far. The main additional improvement that the owner would like to see made is the installation of a back stairway and door to provide double access for the attic floor so that it may be rented. From the point of view of urban rehabilitation, however, there are a number of serious and costly defects in the structure that would need correction. Cost inspection revealed rehabilitation needs in Structure A, which are specified in Table XXVII.

The present owner is an elderly gentleman with very modest income and a reluctance to spend much of it on home repairs. His children's expenditure of \$50 a month on home maintenance plus other

Table XXVII

Estimated Cost of Rehabilitation - Structure A

Description of Work

Exterior

	<u>Estimated Cost</u>
Seal stucco, gable and shingles. Replace missing and broken clapboards*	\$ 300*
Replace portion of gutter and downspout*	125*
Replace portion of fascia*	45*
Rebuild 1/2 of chimney exp. above roof	150
Scrape, glaze caulk, 40 existing windows*	200*
Supply new sky light window*	50*
2 sets of rear stairs complete new, new treads front stairs*	150*
Repair front and rear porch, new flooring front and bolster frame*	300*
Paint exterior	800

Interior

Convert electrical service to 60 amp. service*	175*
Recondition coal furnace or convert to oil, etc.	250
Average of 2 new electric fixtures in halls	40
New stair to third floor space	250
Paint and paper front and rear halls (1 unit)	300
New floor covering in bathroom-underboard*	175*
New fixtures electric in each room (1 unit)	90
New lavatories and W.C., tub (1 unit)	500
New sink* (1 unit)	100*
Install new hot water heater and run copper lead to second floor	250
Paint and paper (1 unit)	<u>480</u>
Total Code Violations*	\$ 1,620
Total All Improvements	\$ 4,730
Code Violations per Unit*	\$ 810*
All Improvements per Unit	\$ 2,365

*Repairs required to bring the structure into conformity with the Boston codes.

housing expenses amount to 23 percent of their income as we have seen above. At the rate of \$50 a month, which is the amount spent on repair and improvements, it will take more than 33 months for them to remove the existing code violations which are estimated to cost \$1,620. Instead of waiting to complete these repairs, they may find it more desirable to borrow the total amount through a personal loan which could be repaid in monthly installments of \$50. With interest the entire loan could be repaid in approximately three years. The bank may require Mr. P., the owner, to act as co-signer for the loan. In general, the family appears to be not too badly off because the mortgage on the existing structure has long since been paid.

Case B

On several streets in the center of the project area, there are to be found three-deckers of various types of construction and in various conditions. Structure B is one of these. Probably built about the turn of the century, it is a modified three-decker, in that there are both front and back porches of considerable size and some effort at ornamentation. It is now in need of substantial rehabilitation.

Living on the middle deck are the owner and his family. Roland G. is a skilled construction worker, earning about \$100 per week. He and his wife Irma are in their mid-forties. Their children are now grown, and one lives on the third floor of Structure B with her own family. Although Mrs. G. formerly had a job, she now cares for a number of state children averaging in ages from seven months to six years. She receives more than \$350 per month for the support of these children. In addition, the rents

from the two other flats in Structure B bring in a total of \$130 a month. They bought the structure in 1945 for \$5,500 and made a down-payment of \$800. The standard, direct reduction mortgage, which was originally obtained, was renewed three years ago and some \$2,600 is still outstanding. The family spends \$210 per month on housing, including monthly bank payments, taxes, insurance, heat and utilities. About eight years ago, they made some substantial repairs on the house, but apparently investment in maintenance and in repairs since then has been negligible. Although their housing expenditures seem substantial, the size of the income received by the family makes the proportion of their income going to rent less than 22 percent. The family is about ready to make new investments in housing upkeep, and they are very interested in the possibility of an urban rehabilitation loan. Mrs. G. is particularly anxious to make repairs and alterations on the front and back porches.

Mr. and Mrs. G. formerly lived in Wollaston and moved to Roxbury only because the family with whom they lived died. They like owning their house, but would not object to renting. The family has formed a number of ties to local institutions. They attend church in lower Roxbury, and since Mrs. B. has started caring for the state children she needs to be near Children's Hospital as well as to the Welfare Office in Dorchester and the primary school. She finds local stores very convenient. She has no friends locally. The family would prefer not to live in upper Roxbury but in Dorchester or Milton. At the same time, they have to stay in some part of Boston in order to keep the children. There are three bedrooms in this six-room dwelling, but Mrs. G. says she could use two additional bedrooms for the children. The family is

now debating whether it would be better to fix up Structure B or to seek a better housing arrangement elsewhere.

The owners of Structure B have not made the effort necessary to keep up the property. If they are willing to do so now, they will be faced with the need for a loan of several thousand dollars. Cost inspection has indicated the rehabilitation needs for Structure B, which are listed in Table XXVIII.

The G. family is now paying 22 percent of its income on housing. It is evident that they have not increased their housing expenditure because of the large size of the household, which includes several foster children. The existing debt service on the mortgage, the original amount of which was \$4,700, (6 percent, 15 years) was \$8.44 per \$1,000, or a total of \$39.67 per month. If the outstanding amount of \$2,600 were refinanced and the new mortgage enlarged to include an additional \$4,145, i. e., the cost of rectifying the existing code violations, the combined new mortgage would have a face amount of \$6,745. Refinanced with an FHA 220 loan for 30 years, such a loan would carry a debt service of \$40.13, or less than \$1 more than the existing amount. Thus, the necessary corrections can be completed without any addition to the housing burden of this family.

Case C

This two-family brick house is one of many such structures built in the southern part of the Seaver-Townsend project area during the 1920's. It is located on one of the best streets of the area, where there are many trees and a nice mixture of substantial brick and frame houses.

Although there is adequate space around the building and some planting has been done in the yard, Structure C is on a smaller lot with

Table XXVIII

Estimated Cost of Rehabilitation - Structure B

<u>Description of Work</u>	<u>Estimated Cost</u>
<u>Exterior</u>	
Rake joints in foundation stone where mortar is loose; re-mortar	\$ 50
Install midget wall louvers or equivalent to eliminate sealed moisture*	75*
Rebuild chimney from roof line	175
Scrape, reglaze, replace lights as needed on windows	125
Tear out front steps and replace with new flight complete*	400*
Tear out front porches and replace; repair and strengthen rear porch*	1,700*
Paint building (extreme case of deterioration)*	1,000*
<u>Interior</u>	
Patch plaster on cellar ceilings*	50*
Convert to 60 amp. electrical service*	175*
New treads to cellar stairs and replace stringer*	35*
New hall entrance door complete*	100*
Install new mail-box and bells	40
New hall lighting fixtures properly installed*	40*
2 new fixtures rear hall	40
Replace worn treads on hall stairs, tighten existing flights front and rear stairs	50
Paint and paper front and rear hall	300
New covering for kitchen and bath floors (3 units)*	525*
Scrape plaster on ceilings (3 units)*	45*
Remove oil stove in kitchen and relocate or new gas stove (3 units)	675
Paint and paper four rooms (3 units)	<u>960</u>
Total Code Violations*	\$ 4,145*
Total All Improvements	\$ 6,560
Code Violations per Unit*	\$ 1,382*
All Improvements per Unit	\$ 2,187

*Repairs required to bring the structure into conformity with the Boston codes.



less landscaping than several other houses on the same street. The condition of the structure, while generally adequate, still requires some rehabilitation effort.

Of the two families living in Structure C, one is Mr. I., a Jewish merchant, who has just sold the structure to an upper-middle-income Negro family for about \$15,000, though the asking price was considerably higher. (The total land and building assessment is \$12,000). This sale is typical of what is now going on in the southern part of the Seaver-Townsend area. This being the case, the present renters of the first floor are typical residents of houses like Structure C.

The J. family are Negroes who recently moved to Boston from the mid-west. Dr. J. is a physician attached to a major Boston hospital and presently has no outside practice. Mrs. J. is a school teacher but is not now working. Both are in their early thirties. They have one child two years old and plan to have more during the next few years. The family income is \$7,000 per year. They find the seven-room apartment with its three bedrooms spacious and reasonable. Rent is \$100 per month; heating plus utilities add an average of \$57 per month to the total housing bill. Thus, Dr. J. and his family pay roughly 28 percent of their income for housing.

The J. family has now been living in Structure C for more than two years, but they have formed no real ties to this part of Boston. They attend St. Hugh's Catholic Church but do not have associations with local shopping, work, or other community facilities. They have some casual friends in the area, but feel that they would be happy in any residential area where their neighbors would be of "middle-income

level and well educated." The family has not been seeking housing elsewhere, but they have the general impression that some parts of Jamaica Plain or West Roxbury might be nicer places to live. This family is now paying about all it can afford for housing. Any substantial rent increases would probably spur them to seek a residential area they might consider more desirable.

There is little indication that rehabilitation needs would require an increase in rents. The new owners have purchased an excellent house for the price and it may be hoped that they will be willing to make the improvements called for. Cost inspection indicates that code violations could be corrected within the range of a normal annual housing repair budget, and other desirable improvements could be made with a reasonable outlay (Table XXIX). The cost of removing all code violations is \$225, a trivial amount in view of the value of the structure and its gross income. These expenditures should be made by the owner out of his personal resources, i. e., from current income or assets. If this is not possible, a short-term personal loan appears to be the obvious solution. In fact, all improvements to the structure amount to \$1,525. It would appear that even this amount, if raised through a personal loan, could be easily carried by the owner. In all, therefore, there seems to be no problem involved in bringing these units to legal acceptable standards. In fact, it appears that very little special effort is required to improve some of the amenities as well.

Case D

This two- and one-half-story, two-family house is of frame construction and in better than average state of repair. It is located on a

Table XXIX

Estimated Cost of Rehabilitation - Structure C

<u>Description of Work</u>	<u>Estimated Cost</u>
<u>Exterior</u>	
Replace gutter pipe*	\$ 40*
Wire-brush and paint windows	250
Replace porch and fix rear porch	400
<u>Interior</u>	
Transform 30 amp. electrical service to 60 amp.*	175*
Resurface floors (2 units)	250
Scrape ceilings; paint* (2 units)	10*
Redecorate apartment (2 units)	<u>400</u>
Total Code Violations	\$ 225
Total All Improvements	\$ 1,525
Code Violations per Unit	\$ 113*
All Improvements per Unit	\$ 763

*Repairs required to bring the structure into conformity with the Boston codes.

street in the southwest corner of the project area and is surrounded by housing in much worse condition. Though crowded by a run-down house on one side, the other side is graced by a large lot in the ownership of the owner-occupant in Structure D. It was originally built as a two-family house and has two dwellings of five rooms each, plus a gabled half-story attic with four additional rooms. The house has obviously been well cared for and is expensively sided with asbestos shingles.

Ed C. owns Structure D and lives on the second floor. The C.'s are a childless couple in their late forties and Mrs. C.'s mother occupies the first floor apartment. Mr. C. works for the MTA and earns about \$4,600 per year; his wife makes an additional \$3,000 per year. They rent the downstairs flat to the mother-in-law for \$360 per year. The couple bought the structure twelve years ago for \$6,300. Mr. C. made a down payment of \$1,000 and also bought an \$800 mortgage that was outstanding. The mortgage then was for \$4,500, of which \$1,200 is outstanding. Several thousand dollars worth of repairs have been put into the house, and recently \$7,500 has been offered for the structure. The couple's housing expenditures average \$158 per month, including bank payments, taxes, insurance, heating, utilities, and maintenance and repairs, or about 24 percent of their income.

Fifteen years ago, the couple lived in the Lenox Street Housing Project but had to move because their income was too high. Following this, they lived in a number of houses in lower Roxbury. They said that they finally got fed up with what they considered bad housing in a bad area, what with the filth and dirt in that part of Roxbury. Since moving to Structure D, they have had a great deal of pride in their home. They are so satisfied with their present home that they would not conceive of

living anywhere else. Mr. C. does much of his own repair work, especially painting, and is constantly looking for something new to do. He has converted the three upstairs rooms into guest rooms and has put expensive furnishings into them.

The owner of Structure D has been quite conscientious in keeping up and repairing his house. He has, however, overlooked a number of important items which now need attention. Cost inspection indicated the rehabilitation needs listed in Table XXX. In the case of Structure D, there appears to be little difficulty in removing the code violations which are estimated to cost \$810. This amount could be raised out of personal savings or, alternatively, the current mortgage, which has been reduced from \$4,500 to \$1,200, could be extended to include this amount, but in a manner that would keep the existing debt service at the same level.

Since the total cost of all improvements is modest, \$1,770, and the outstanding mortgage amount is low, it is undoubtedly to the advantage of this family as well as the community to effectuate all of the suggested improvements. This would require a new loan of \$2,970, which at the FHA 220 rate for 30 years would mean a debt service of \$17.67 monthly. The existing mortgage of \$4,500 (5 1/2 percent, 15 years) has a debt service of \$8.18 per \$1,000, or a total of \$36.81. Refinancing, therefore, would mean a substantial reduction in debt service. Since this family is not particularly hard pressed, it would be to their advantage to obtain a shorter loan than one of 30 years' duration. For example, a conventional loan at 6 percent for 10 years would carry a debt service of \$11.11 per \$1,000. This would mean that a \$2,970 loan would require \$33 per month, an amount that is still below the existing debt service.

Table XXX

Estimated Cost of Rehabilitation - Structure D

<u>Description of Work</u>	<u>Estimated Cost</u>
<u>Exterior</u>	
Replace broken and missing asbestos shingles*	\$ 110*
Replace treads and risers front steps	40
Replace rear porch floors and rails*	175*
Paint new shingles, steps and porch	100
<u>Interior</u>	
Convert to 60 amp. electrical service*	175*
Finish two walls*	100*
Expand bathroom space (2 units)	500
Scrape plaster on ceilings, strengthen ceiling frame * (2 units)	250*
Paint and paper (2 units)	<u>320</u>
Total Code Violations*	\$ 810*
Total All Improvements	\$ 1,770
Code Violations per Unit*	\$ 405*
All Improvements per Unit	\$ 885

*Repairs required to bring the structure into conformity
with the Boston codes.

The advantage of the conventional over the FHA loan is seen in the fact that the family would be free of debt in a decade.

Case E

On a tree-studded street near the eastern edge of the project area are found modest homes, such as this small two- and one-half-story two-family structure. This house, now nearly 100 years old, was originally a single-family, nine-room house. Improvements to date have been to the questionable taste of the owner, and a number of things remain to be done; however, Structure E is in remarkably good condition for its age.

The owner-occupant of Structure E is Henry B., who occupies the first floor. Mr. B. is of French-Canadian extraction coming from Maine. He formerly was proprietor of a store in Roxbury, but now works at the Produce Market in the North End. His income is about \$4,500 per year, and there is no other family income except for the \$40 a month rent for the second floor. When Mr. B. bought Structure E in 1940, it had been vacant for three years. The price was only \$3,300, and he gave a down payment of only \$300, taking the rest under a HOLC mortgage. This 17-year mortgage was paid off four years ago. The house is assessed for fully a thousand dollars more than the 1940 purchase price, but Mr. B. is not complaining about this as he is sure that the market value is well in excess of \$5,000. Present housing expenses come to about \$90 a month, including taxes, insurance, heating and utilities. Thus, Mr. B. is now spending about 22 percent of his income on housing.

When Mr. B. moved into Structure E 21 years ago, he was raising seven children and his first wife was alive. Now all of his children are grown and he has remarried. The second Mrs. B. is also a

long-time Roxbury resident who comes from Maine originally. She busies herself making decorations in and around the house. Mr. B. and his wife are proud of their house and proud of the street, which they say is being well kept up. About half of the residents on this street are Negroes, and the relations between groups seem to be very good. For example, Mr. B. regularly takes the garbage cans out for a crippled Negro neighbor. The couple have a number of ties locally, including St. Hugh's Church, and local stores. They count a number of their neighbors, both Negro and white, as friends; but they have other friends throughout the metropolitan area. They have never considered living anywhere else.

Mr. B. rents the second floor to a carpenter in his seventies who still works at odd jobs. The rooms on the top floor are used by both Mr. B. and the renter for their hobbies. Despite nearly a century of use, Structure E still has several decades of useful life. A number of important things remain to be done on the house according to a cost inspection of rehabilitation needs (Table XXXI).

The code violations for this structure can be removed by an expenditure estimated at \$185. Since this family seems financially able, there appears to be no reason for not insisting upon the observation of the code. The total improvements in this structure would require an expenditure of \$1,585, and it is problematical whether the family can be induced to make an investment of this magnitude. When the specifications are examined, however, it is seen that the major items are the painting of shingles for \$600 and painting of the interior for \$640. Thus, \$1,240 out of the total of \$1,585 can evidently be undertaken by the head of the household and the elderly semi-retired tenant. The cost under

Table XXXI

Estimated Cost of Rehabilitation - Structure E

<u>Description of Work</u>	<u>Estimated Cost</u>
<u>Exterior</u>	
Paint shingles (badly discolored - asbestos)	\$ 600
<u>Interior</u>	
Convert electrical service to 60 amp.*	175*
Scrape soffit, stairs to second floor*	10*
Install two new electrical fixtures (2 units)	60
Relocate gas stove to replace existing wood stove (2 units)	100
Paint (2 units)	<u>640</u>
Total Code Violations*	\$ 185*
Total All Improvements	\$ 1,585
Code Violations per Unit*	\$ 93*
All Improvements per Unit	\$ 792

*Repairs required to bring the structure into conformity
with the Boston codes.

these circumstances would indeed be trivial. It would appear that the occupants of this structure have the skill and the resources necessary for rehabilitation of the building and that this case seems merely to need some concerted encouragement.

Case F

This six-family brick building stands on a busy street but near open space in the north central part of the Seaver-Townsend project area. Structurally, it is connected to two nearly identical blocks of the same size, but is treated as a separate building for condition surveys and thus for this analysis. Structure F was probably built just before or just after the First World War and its fancy brickwork indicates that it housed residents of some status at that time. It is far from being a block of apartments for the elite today, but the realty company that owns the building still provides resident janitor service. Structure F is in slightly better condition than its sister structures, but there are a number of defects to be remedied. The assessed valuation of the building is about \$10,000.

Most of the residents in Structure F have lived there only a short time. One such family is that of John S., a Negro serviceman in his mid-thirties. Mr. S., his wife and four children have lived on the first floor for about a year. Before that they lived for a while in a furnished flat in Lower Roxbury, just after coming to Boston from Virginia. Mr. S. receives only \$160 per month, but his wife receives a military allotment of the same amount and earns another \$120 per month at her job. Thus, the family has an income of \$440 per month, and the \$70 rent is no problem. Since heating is included in the rent of

this five-room apartment, the total housing expenditure is only about \$80 per month; thus, the family spends only 18 percent of its income on housing.

The S. family prefers to rent, and they like this house very much. The landlord completely redecorated the apartment for them when they moved in. They find the location convenient to the AMEZ Church, to stores, and especially to schools. Also they have made many friends in the area. Two bedrooms, however, are inadequate for this growing family. One, and possibly two more bedrooms will be needed.

The S. family is getting such good value in its present housing that it would probably remain even if the rent were increased somewhat. The expanding family or a military transfer, rather than rising rents, would most likely cause them to move from Structure F.

In any case, the repairs needed on Structure F are considerable, though most of them are not actually code violations. Many of these repairs could probably be absorbed by the landlord with only normal rent increases obtained on turnover. Cost inspection revealed the rehabilitation needs specified in Table XXXII, based on examination of the six apartments.

This case represents a classic example of the manner in which refinancing can be utilized not only to effectuate the removal of all code violations, but also to undertake the improvements required to modernize the structure. Ten years ago, the building was acquired for \$10,000 with a mortgage of \$9,300. The terms of 14 years, 5 1/2 percent interest meant a monthly payment of \$8.55 per \$1,000, or a total debt service of \$95.50. In the past ten years, the mortgage has

Table XXXII

Estimated Cost of Rehabilitation - Structure F

<u>Description of Work</u>	<u>Estimated Cost</u>
<u>Exterior</u>	
Point walls	300
Replace spot from wall fascia	25
Paint and repair windows	400
Replace front porch*	250*
Replace 3 wood platforms, rear porch	600
Paint all metal work of rear porch	150
<u>Interior</u>	
Convert electrical service to 60 amp.*	300*
Replace glass and sash on cellar windows	200
Repair hall entrance door	10
Scrape hall ceiling*	5*
Install new lighting fixtures, 2nd floor hallway	90
Repair bannister, hallway stairs	25
Redecorate hallways	300
New flooring and underboards, kitchen and bath (6 units)	1,330
Replace section bathroom of floor (6 units)*	300*
Install new electrical fixtures (6 units)	630
Redecorate (6 units)	<u>2,100</u>
Total Code Violations*	\$ 855
Total All Improvements	\$ 7,035
Code Violations per Unit*	\$ 142
All Improvements per Unit	\$ 1,173

*Repairs required to bring the structure into conformity with the Boston codes.

been paid down to 36 percent of the original amount and the current outstanding amount is, therefore, \$3,380. If the total cost of repairs of \$7,035 is added to this sum and the amount refinanced, a \$10,415 mortgage would be required. If this is financed under FHA 220, it would require a monthly debt service of \$61.96, representing a substantial reduction in the current debt service. It would be far better financial policy to refinance the total amount with a mortgage of shorter term. For example, a 6 percent mortgage of 15 years' duration carries a monthly charge of \$8.44 per \$1,000. The total debt service, therefore, for a \$10,415 mortgage would be \$87.90, an amount that is only \$2.40 more than the current financing cost. It thus is evident that it is possible to undertake all of the suggested improvements under a financial arrangement that will require no change in monthly rent to the tenants.

Case G

Part of a six-structure brick apartment block built around a courtyard, this three-story, nine-family building is located in the south central part of the project area. The landscaped courtyard as well as efforts at ornamentation of doors and windows attest to the fact that this structure was first built (at the end of World War I) as a high-status apartment block. It still retains some of this quality, but in a somewhat tattered state. Like its sister buildings in the courtyard block, it is receiving token upkeep. While the building remains in generally good condition, a number of improvements may be suggested.

The owner of Structure G lives in another part of Boston. He is the third person to have owned this structure during the past two

years, and he has placed Structure G and its sister structures under the management of a local realtor. The market value of Structure G, or the details of its purchase, are not available. We do know, however, that the building plus the land on which it stands is assessed for \$22,000. The monthly income from this property is estimated at about \$725.

Each of the three floors in Structure G has three apartments. Two of the apartments on each floor face the courtyard, and the other faces a back street. Of the nine apartments, four are three-room units and the other five are four-room units. Rents vary not only by the number of rooms, but also by the number of years a tenant has lived in a building: each new landlord increases the rent of the most recent tenant. Rents range from \$70 per month up to about \$85, with heat included.

All of the occupants of Structure G are white people, and most are Jewish. In the similar structure next door, several apartments have been rented to small Negro families. None of the families in Structure G itself has any children. In fact, they are almost all retired people, and a number are widows or widowers living alone. One such elderly person living alone is Sarah L. She has been renting one of the three-room units for the past three years, after having lived for 15 years as a renter on Hutchins Street. She has been paying \$70 per month, but is expecting to have her rent increased by the new owner. Utilities bring the bill up to \$80 per month. Mrs. L. receives a total of about \$200 a month from a disability pension and from her brother, a Dorchester merchant, who has been meeting the rent and utilities

expenses for the past three years. He now is thinking of finding a good home for the aged where Mrs. L. could stay.

When Mrs. L. moved in to Structure G, her mother was living with her. The mother is now in the hospital and is not expected to be able to return home. In effect, Mrs. L. has become a single householder. She likes the apartment, especially since the heat and hot water are adequate. Her situation is such, however, that she could hardly stand a new rise in rent. Apparently, a number of other people in Structure G are in the same position. Cost inspection revealed the rehabilitation needs in Structure G specified in Table XXXIII.

The cost of removing code violations in this structure are minor, amounting to \$335 for the entire building, or \$35 per unit. These repairs should be made at once from the landlord's personal resources, for the sum is too small to involve any complicated financial arrangement. In fact, all improvements can be made with relatively minor cost. A short-term loan for the amount necessary to make the required repairs or replacements would appear to be the most satisfactory arrangement. A rent increase of \$4 a month could go to amortize the loan which could be repaid in less than five years. Since it appears that the landlord intends to raise the rents anyway, the increase in gross income could be devoted to the improvement of the property without affecting his present net income position.

Case H

A modest two- and-a-half-story, single-family house, Structure H is located in the northeastern part of the project area. It is in average condition but needs several improvements. The interior of Structure H

Table XXXIII

Estimated Cost of Rehabilitation - Structure G

<u>Description of Work</u>	<u>Estimated Cost</u>
<u>Exterior</u>	
Replace broken lights*	\$ 35*
Repair porch	150
Scrape and paint all sashes and frames	300
<u>Interior</u>	
Convert electrical service to 60 amp. *	300*
Refurbish doorbell and mailboxes	5
Paint ceiling, walls and trim of rear hallway	125
Install new kitchen sink (9 units)	<u>1, 350</u>
Total Code Violations*	\$ 335*
Total All Improvements	\$ 2, 265
Code Violations per Unit*	\$ 37*
All Improvements per Unit	\$ 252

*Repairs required to bring the structure into conformity with the Boston codes.

has received more attention than has the exterior. Most of the eleven rooms have been very well cared for indeed, yet a number of things remain to be done.

The owner-occupant of Structure H is Reginald B., a Negro of West Indian background. He and his wife are both in their sixties and bought this house nine years ago. They paid \$7,500 for the house, giving a down payment of \$2,250. The remainder was mortgaged with a local bank and \$1,000 of this mortgage is outstanding. The monthly bank payment is \$90, and includes yearly taxes of \$500 plus insurance of \$30. In addition to this \$90 bank payment, the B.'s spend an estimated average of \$94 per month for such items as heating, utilities, water, and maintenance and repairs, bringing their total monthly housing expenses to about \$184. Mr. B. is now retired from business and receives about \$110 per month from Social Security. He also works part-time as a gardener and earns an estimated \$100 per month at this work. His wife still works and makes about \$260 a month. The total family income then is estimated at \$470 monthly. Two roomers live with them on the second floor and each pays about \$30 per month. This would then bring a total income to the B.'s of about \$530 a month. Thus, they spend about 35 percent of their income on housing.

The family likes the house very much but would consider living farther out. Their main ties to this area are the church in lower Roxbury on Tremont Street and their friends, some of whom live on the same street. Mr. B. is very interested in keeping up his house and estimates that he has spent some \$4,500 on improvements during the past nine years. He is also concerned about the neighborhood, and he expects urban renewal

(including interviewers and surveyors) to do something about the trash in some of his neighbors' yards. He is also a man who appreciates privacy, and he expects to be left alone. Cost inspection indicated the rehabilitation needs in Structure H listed in Table XXXIV.

Although the owner of Structure H is retired and elderly and appears to have quite a limited income, he shows a great willingness to invest in the upkeep of his house. It seems likely, in fact, that a normal year's investment in upkeep would correct all code violations in such a house. Other suggested improvements might take as long as five years normally, and it is questionable as to whether or not Mr. B. would be willing or should be encouraged to take an additional loan to speed up such repairs.

Table XXXIV

Estimated Cost of Rehabilitation - Structure H

<u>Description of Work</u>	<u>Estimated Cost</u>
<u>Exterior</u>	
Repair, glaze, caulk windows, replace cracked panes	\$ 100
Repair rear porch platforms and posts	100
Replace stair treads, risers and stringers*	50*
Replace sections of front porch flooring	30
Scrape and paint, trim, fascia, gutters, etc.	250
<u>Interior</u>	
Install drain lines in basement floor*	160*
Repair waste plumbing, abandon toilet (basement	50
Convert to 60 amp. electrical service; new panel board*	200*
Install new hall electrical fixtures	60
Paint and paper public halls	150
New covering on floors	350
Install new electrical fixtures	120
Redecorate - paint and paper	480
Total Code Violations*	\$ 410*
Total All Improvements	\$ 2,100

*Repairs required to bring the structure into conformity with the Boston codes.

APPENDIX

A. Residential Real Estate Price Trends

B. Ratio of Market Price to Assessed Value

Appendix A

Residential Real Estate Price Trends

In order to examine the trends in real estate prices for the Seaver-Townsend area to provide a basis for estimating current market values of residential property, it was first necessary to compile a real estate price index. The index was computed in the following fashion: Price data were obtained for properties which were conveyed between January, 1945, and April, 1961. Assessed value was available for all properties for the year 1961. On the assumption that the assessed value in 1961 bore some constant relationship to the market price in that year, the market prices for all properties transacted between 1945 and 1961 were related to assessed value in 1961. These data were then organized year by year and converted to a price index. The percentage increase in price was then calculated between each year and 1961. These price relatives were then applied to the original market price in order to derive an estimate of current market value. For properties for which the original market price was not available, the 1961 value was estimated by multiplying the assessed value by the ratio of market price to assessed value.

The prices in the Seaver-Townsend area as a whole rose consistently from an index of 100 in 1945 to 155 in 1949. Prices hovered in this general vicinity until 1952, at which time they once again began to move upward, reaching a high of 180 the following year. Subsequently,

there was a reversal, with prices declining first to 170 in 1954 and then fluctuating between 160 and 165 throughout the period 1955 to 1961, presumably indicating some degree of stability.

When the price data were examined more closely, it was found that apparently stability of the recent period cloaked two disparate movements. Within one group of blocks, not necessarily contiguous, prices between 1955 and 1961 declined from 160 to approximately 130. At the same time, another group of blocks showed a continued rise in prices from 185 in 1953 to a value fluctuating around 200 for the period 1956 to 1961. In other words, while one section of the renewal area declined by roughly 20 percent, another rose by approximately 25 percent.

An examination of the attached map reveals the geographic distribution of those blocks which were below the average, as distinct from those which were above the average. Those blocks in which market transactions resulted in a price index between 110 and 169 are indicated in the two lighter cross hatchings, while those in which the properties showed a price index of 170 or more are indicated in the two heavier cross hatchings. The properties that revealed the higher price rises tend to flank Crawford Street and to extend to the east from Crawford Street to Warren Street between Waumbeck and Harrishof Streets. Two other concentrations of properties that rose more than the average in value are to be found between Elm Hill and Blue Hill Avenues, from Crawford Street on the north to Schuyler and Nazing Streets on the south. Another minor concentration is located in the small triangular section between Seaver and Hutchings Streets and Humboldt Avenue. The remaining blocks, those bordering on Townsend Street, those to the west

of the area near Washington Street, and those running through the center of the area north from Seaver Street between Humboldt and Elm Hill Avenues, were below the average price index.

Table A-I

Residential Real Estate Price Index (1945 = 100)
Seaver-Townsend Renewal Area, 1945-1961*

<u>Year</u>	<u>Number of Cases</u>	<u>Average for Area</u>	<u>Lower Group</u>	<u>High Group</u>
1945	18	100		100
1946	22	115		115
1947	19	125		125
1948	26	135		135
1949	13	155		155
1950	33	155		155
1951	31	155		155
1952	34	155		155
1953	40	180	160	185
1954	59	170	155	185
1955	42	165	145	195
1956	56	175	140	210
1957	40	160	140	190
1958	36	165	145	200
1959	48	160	135	205
1960	31	165	130	200
1961 *	16	165	130	190

* (January - April, 1961)

Appendix B

Ratio of Market Price to Assessed Value

In order to analyze the ratio of market price to assessed value, all bona fide transactions in the Seaver-Townsend renewal area between January, 1957, and April, 1961, were examined. This period was selected because of its recency and because average market prices did not vary appreciably during the interval.

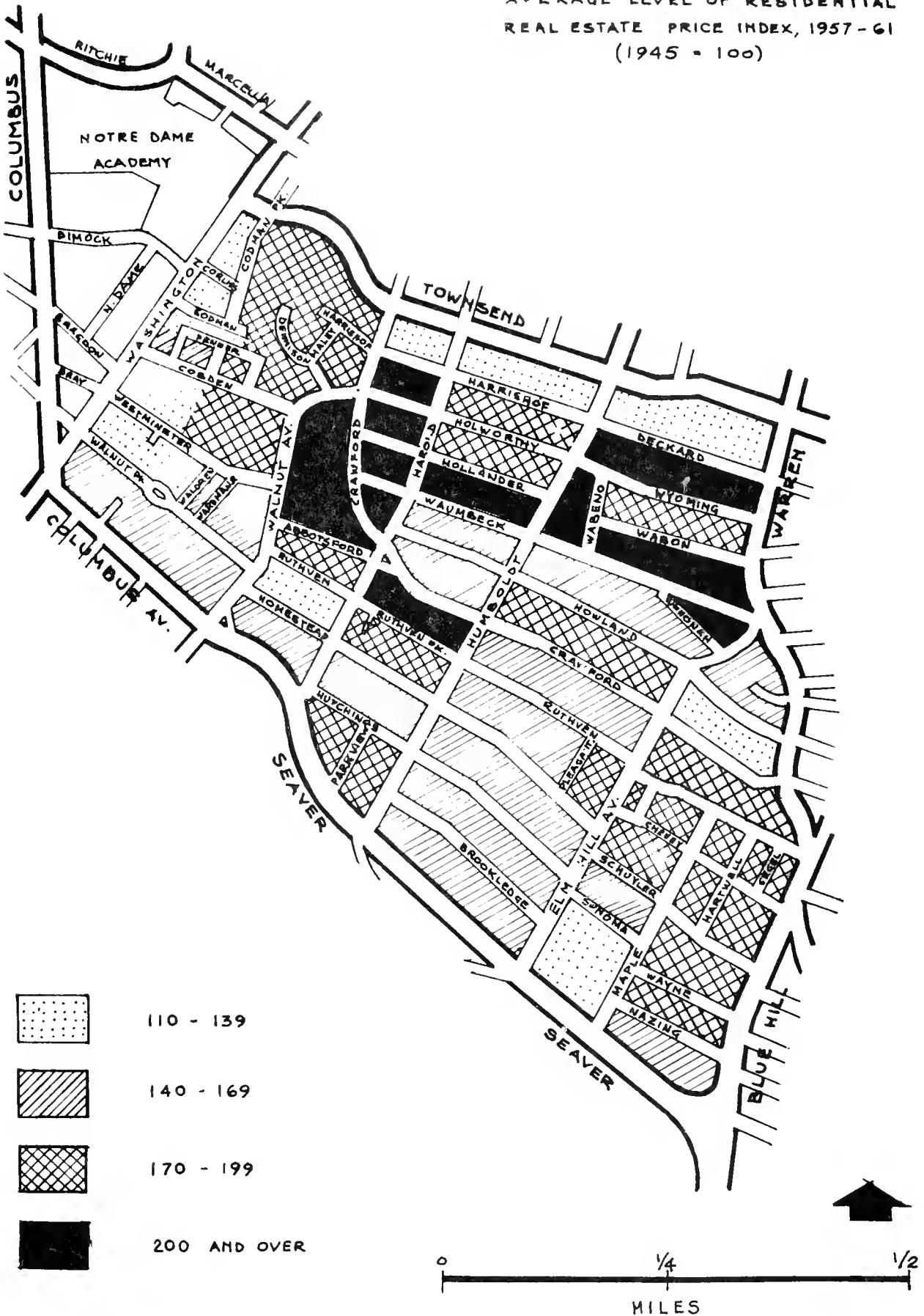
For structures containing one to three dwelling units, assessed values in 1961 were in excess of market price in only seven out of 148 cases, or five percent of the total. Six of these were properties that sold for less than \$9,000. Thus, 95 percent of the properties with one to three dwelling units were assessed at or below market price, and in 24 percent of the cases, the tax valuation was less than one-half of market price.

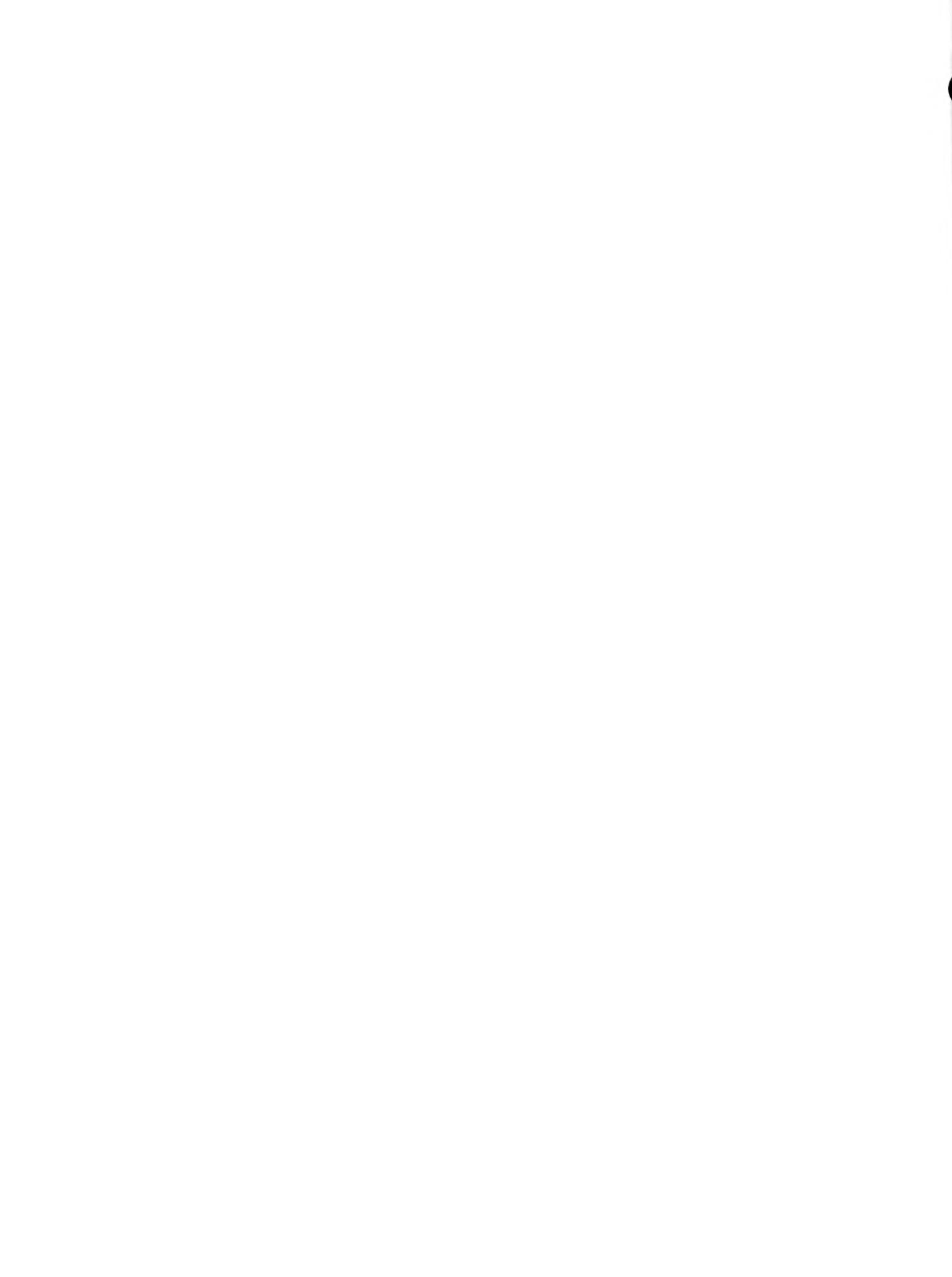
For structures with four or more dwelling units, ten percent of the total were assessed at an amount in excess of market price. The concentration of these was in the lower value brackets, with the ratio of market price to assessed value rising as the value increases. In 14 percent of these cases, assessment is less than one-half of price.

When the ratios were examined by quality of structure, it was found that no correlation of any consequence existed. Virtually all of the 17 cases that were valued for tax purposes above market price were

SEAVIER - TOWNSEND URBAN RENEWAL AREA

AVERAGE LEVEL OF RESIDENTIAL
REAL ESTATE PRICE INDEX, 1957-61
(1945 = 100)





in the median quality categories. The properties assessed below market prices in each quality group appeared to be in proportion to their representation in the total.

Table B-I

Ratio of Market Price to Assessed Value of
 Residential Property Conveyed by Bona Fide Transaction,
 by Market Price
 Seaver-Townsend Area, 1957-1961

Market Price per Structure								200 and over	Total
	Under 80	80- 99	100- 119	120- 139	140- 159	160- 179	180- 199		
<u>Structures with One to Three Dwelling Units</u>									
Under \$6, 000	3	-	1	4	2	1	1	1	13
\$6, 000-6, 999	1	-	-	1	2	-	-	-	4
\$7, 000-7, 999	1	-	3	2	-	2	-	-	8
\$8, 000-8, 999	-	1	-	1	2	-	-	1	5
\$9, 000-9, 999	-	-	-	4	-	2	-	-	6
\$10, 000-11, 999	-	-	1	3	12	7	5	5	33
\$12, 000-13, 999	-	-	-	2	5	6	7	14	34
\$14, 000-15, 999	-	1	-	-	5	2	6	10	24
\$16, 000-17, 999	-	-	-	1	6	-	4	5	16
\$18, 000 & over	-	-	-	-	1	2	2	-	5
Total	5	2	5	18	35	22	25	36	148

Structures with Four or More Dwelling Units

Market Price per Dwelling Unit	1	2	3	4	5	6	7	8	9
Under \$2, 000	1	1	1	-	2	1	-	-	6
\$2, 000-2, 499	-	2	1	1	-	-	-	-	4
\$2, 500-2, 999	-	5	6	3	-	-	-	2	16
\$3, 000-3, 499	-	1	4	5	-	1	-	-	11
\$3, 500-3, 999	-	-	1	-	3	-	1	2	7
\$4, 000-4, 499	-	-	-	-	1	-	-	1	2
\$4, 500-4, 999	-	-	-	-	-	1	-	-	1
\$5, 000-5, 999	-	-	-	-	-	-	1	1	2
\$6, 000 & over	-	-	-	-	-	-	-	1	1
Total	1	9	13	9	6	3	2	7	50

Table B-II

Ratio of Market Price to Assessed Value of
Residential Property Conveyed by Bona Fide Transaction,
by Condition of Structure
Seaver-Townsend Area, 1957-1961

Condition All Structures	Under 80	80- 99	100- 119	120- 139	140- 159	160- 179	180- 199	200 and over	Total
1	-	1	2	6	3	2	-	2	16
2	3	1	6	4	8	2	4	7	35
3	1	9	8	14	23	16	15	27	113
5	2	-	1	1	4	2	4	6	20
6	-	-	1	2	3	3	4	1	14
Total	6	11	18	27	41	25	27	43	198





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